

Senate Bill No. 1564

CHAPTER 330

An act to amend Sections 8263, 8263.1, 8351, 8353, 8354, 17224, 41203.1, 52122.1, 56428, 56836.08, 56836.09, 56836.15, 60604, 60605, 60640, 60643, 60644, 60800, 69612, 69613, 69613.4, 69613.6, 69614, and 69615.6 of, to add Sections 8203.3, 8350.5, 46201.6, 69613.5, 69613.55, 84751.5, and 84754 to, to add Article 5.5 (commencing with Section 69618) to Chapter 2 of Part 42 of, to add Chapter 10 (commencing with Section 92820) to Part 57 of, to repeal Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of, and to repeal and add Section 56836.155 of, the Education Code, to amend Section 104420 of the Health and Safety Code, to amend Section 4 of Chapter 975 of the Statutes of 1995, and to amend Section 3 of Chapter 767 of the Statutes of 1997, relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 21, 1998. Filed with
Secretary of State August 21, 1998.]

I am signing Senate Bill No. 1564 with reductions.

This bill would make various changes to K-14 statutes to implement the 1998-99 Budget Act.

I am signing this bill, notwithstanding the implication in Section 51 that a deficit continues to exist in the financing of the school district revenue limits for the 1998-99 fiscal year, because such an implication is legally irrelevant in the light of the enactment of Education Code section 42238.8 (Stats. of 1997, Ch. 855, sec 6) last year. Section 51 provides that the Superintendent of Public Instruction shall apply the "same deficit factor" to school district revenue limits that was applied for the 1997-98 fiscal year on the assumption that those limits would be calculated on the basis of a formula unrelated to the funds actually received in the 1997-98 fiscal year. However, effective July 1, 1998, Education Code section 42238.8 required revenue limits for the 1998-99 and subsequent fiscal years to be calculated on the basis of funding received for the 1996-97 fiscal year. As a result of this change in law, no deficit in payment exists with regard to the revised revenue limits, and there is no need for the "deficit factor" referred to in Section 51 of this bill. Since Section 51's mistaken assumption that a "deficit" in funding continues to exist does not materially change the level of funding for this fiscal year and should not affect the calculation of subsequent fiscal years, I am signing this bill because of the value of other parts of the legislation and the legal irrelevance of Section 51.

However, I am reducing the appropriations made in Sections 41, 45, 49, 50, 52, 53, 54, and 55 by a total of \$109,186,136. These appropriations are being reduced because I have specific concerns about the projects or because of the need to fund higher competing priorities including attaining a prudent reserve. The specific reductions are as follows:

I am reducing the appropriation in Section 41 from \$100,000,000 to \$20,000,000 for deferred maintenance because of the need to fund higher competing priorities including attaining a prudent reserve. I am revising subdivision (a) of Section 41 to conform to this action.

“(a) Twenty million dollars (\$20,000,000) is hereby transferred from the General Fund to the State School Deferred Maintenance Fund for allocation by the State Allocation Board to school districts for high priority, critical needs projects, as defined by the board to mean projects that school districts were unable to complete with funds provided pursuant to Section 39619 of the Education Code, including, but not limited to, removal of underground storage tanks, roof maintenance and replacement, and projects required to ensure the health and safety of pupils. A school district is eligible to receive an allocation pursuant to this section if it has applied for and received all funds for which it is eligible under Section 39619 of the Education Code. A school district may not use funds allocated to it pursuant to this section to meet the local match required pursuant to Section 39619 of the Education Code.”

I am deleting Section 45 which appropriates \$12,500,000 for adult education and ROC/PS for training CalWORKs eligible recipients. This appropriation is duplicative of a \$12,500,000 appropriation in Item 6110-156-0001 of the budget bill for the same purposes.

I am reducing the appropriation in Section 49 from \$79,500,000 to \$77,900,000 by reducing subdivision (b), which sets aside funds for joint-use library projects. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve. I am revising paragraph (1) of subdivision (b) of Section 49 to conform to this action.

“(1) Three million four hundred thousand dollars (\$3,400,000) for support of joint-use library projects in the following school districts, for one-time expenses, in accordance with the following:

(A) One million five hundred thousand dollars (\$1,500,000) to the National City School District for the Lincoln Acres joint-use library project between the Sweetwater Union High School District and the National City School District.

(B) One million dollars (\$1,000,000) to the Livermore Valley Joint Unified School District for a Youth Services and Adult Literacy joint-use library project between the Livermore Valley Joint Unified School District and the City of Livermore Public Library.

(C) Three hundred fifty thousand dollars (\$350,000) to the Freedom High School District for a joint-use library project with the Contra Costa County Public Library.

(D) Five hundred thousand dollars (\$500,000) to the Antelope Valley Union High School District for a joint-use library project between Antelope Valley Union High School and the Lancaster Elementary School District, the City of Lancaster, and the County of Los Angeles.

(E) Fifty thousand dollars (\$50,000) to the Miniarets Joint Union High School District for a joint-use library project between the Miniarets Joint Union High School District and the Shaver Lake Branch Library in Fresno County.”

I am reducing the appropriation in Section 50 for reimbursement of claims for voluntary desegregation programs in the 1993–94 and 1994–95 fiscal years and legislative augmentations for reimbursement of claims for court-ordered desegregation programs in the 1994–95 fiscal year from \$10,103,572 to \$2,652,829. Since desegregation claims are funded in the categorical mega-item according to an existing statutory formula, no legal obligation exists to augment these programs. I am revising subdivision (a) to conform to this action.

“(a) (1) The sum of two million six hundred fifty two thousand eight hundred twenty nine dollars (\$2,652,829) is hereby appropriated from the General Fund to the State Controller, for reimbursement of claims received from the following school districts

for costs of court-ordered desegregation programs pursuant to Section 42247 of the Education Code, in accordance with paragraph (2).

(2)

Court-Ordered Desegregation School Districts	Reimburse- ment Claims for the 1993-94 fiscal year
Bakersfield City School District	0
Los Angeles Unified School District	1,355,992
Menlo Park City School District	0
Palo Alto Unified School District	0
Ravenswood City School District	383
Redwood City School District	186
San Bernardino Unified School District	63,542
San Diego Unified School District	502,019
San Francisco Unified School District	728,981
San Jose Unified School District	0
San Mateo County Office of Education	0
Santa Clara County Superintendent of Schools	0
Sequoia Union High School District	1,726
Stockton Unified School District	0
GRAND TOTAL	\$2,652,829

I am also deleting subdivision (c) to conform to this action.

I am reducing the reappropriation in Section 52 from \$78,425,000 to \$73,585,000 by making the following reductions:

I am reducing the reappropriation in subdivision (a) by \$1,500,000 for the Math Matters program. There is little evidence to suggest that Math Matters is adequately focused on mathematics teacher training that is based on the most recent Mathematics Program Advisory or on solid computational skills rather than diffuse conceptual skills. Further, although language has been included to prohibit the appropriation of the Math Matters funding unless the State Board of Education certifies that the program has been aligned to state content standards, it is questionable whether such alignment is feasible. Because the Math Matters program is already an established national program and has been operating in California for over four years, I believe that it would be inefficient to provide the comprehensive alignment necessary for a program of only \$1,500,000 when other aligned programs of a larger scale have been funded. I am revising subdivision (a) to conform to this action.

“(a) The sum of twenty eight million five hundred thousand (\$28,500,000) is hereby appropriated to the State Department of Education for allocation to school districts and county offices of education on a one-time basis for school-based mathematics staff development, including training in both content and pedagogy, as recommended in

the Mathematics Program Advisory approved by the State Board of Education, the State Department of Education, and the Commission on Teacher Credentialing. The amount appropriated by this subdivision is available to fund in equal amounts the math staff development programs proposed in Assembly Bill 1331 and Assembly Bill 2442 of the 1997–98 Regular Session.”

I am deleting subdivision (j) which reappropriates \$740,000 to the Moorpark Unified School District for home-to-school transportation associated with their voluntary integration program. The school for which this funding is proposed has not yet been built. Standard practice for desegregation funding is to first implement the program prior to submitting a claim for reimbursement. It is inappropriate to provide advanced funding of this nature.

I am deleting subdivision (l) which reappropriates \$2,600,000 to a consortium of county offices of education for three-year grants to provide technical assistance to school districts in maximizing Medi-Cal reimbursements. This is duplicative of a \$2,600,000 reappropriation for the same purposes in the Department of Social Services trailer bill.

I am reducing the reappropriation in Section 53 from \$5,130,000 to \$3,430,000 by making the following reductions:

I am reducing subdivision (a) by \$90,000 for the Pasadena Unified School District for support of the Pasadena Youth Center because of the need to fund higher competing priorities including attaining a prudent reserve. I am revising subdivision (a) to conform to this action.

“Twenty thousand dollars (\$20,000) for allocation on a one-time basis to the Pasadena Unified School for the purchase of textbooks for a tutoring program.”

I am deleting subdivision (d) which reappropriates \$180,000 to the San Luis Obispo County Office of Education for the purpose of support of the Port San Luis Marine Center. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am deleting subdivision (f) which reappropriates \$150,000 to the Temple City Unified School District for the purpose of support of the Temple City Arts Academy. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am deleting subdivision (h) which reappropriates \$200,000 to the Ventura Unified School District to fund the first phase of construction of a \$2,400,000 multi-purpose community stadium at Buena High School. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am deleting subdivision (i) which reappropriates \$500,000 to the Rio School District to partially fund construction of the Rio Del Valle Gymnasium/Community Complex. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am deleting subdivision (l) which reappropriates \$480,000 for planning grants to school districts engaged in community-wide master planning. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am deleting subdivision (o) which reappropriates \$100,000 to the San Diego City Unified School District for a homebased early intervention/parent involvement school readiness program. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am reducing the reappropriation in Section 54 from \$5,128,893 to \$4,053,500 by making the following reductions:

I am deleting subdivision (d) which reappropriates \$26,500 to the Alta-Dutch Flat Union School District to expand student bus service. Home-to-school transportation is funded within the mega-item, and districts have discretion to move funding between mega-item programs based on local priorities. Additionally, districts were provided

supplemental grant funds in prior years which could have been directed to home-to-school transportation needs.

I am reducing the reappropriation in subdivision (g) by \$500,000 for the Merced County Office of Education to establish pilot programs linking education, employability skills, and job opportunities for at-risk youth in Merced County. It is my understanding that this \$500,000 is to establish pilot programs in three other counties and that the \$150,000 remaining in this subdivision is sufficient to fund the pilot programs in Merced County. The \$500,000 augmentation is already included in the Trade and Commerce budget. I am revising subdivision (g) to conform to this action.

“One hundred fifty thousand dollars (\$150,000) for allocation, on a one-time basis, to the Merced County Office of Education. Funds appropriated in this item are for the purposes of establishing pilot programs linking education, employability skills, and job opportunities for at-risk youth in Merced County. Funded programs shall accomplish all of the following:

(A) Work in collaboration with local school districts and businesses.

(B) Provide at-risk youth tangible skills in career development, job attainment, leadership, and self-development linked to work-based activities.

(C) Provide a followup component to participants after completion of the program.

(D) Include a community service component.

(E) Develop a career network for disadvantaged adolescents.”

I am deleting subdivision (i) which reappropriates \$75,000 to the ABC Unified School District to design and implement the Artesia Youth Academy program. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

I am deleting subdivision (j) which reappropriates \$473,893 to the Pasadena Unified School District for the repayment of funds withheld as a result of an audit of the district’s kindergarten and pre-kindergarten program in 1995–96. The Superintendent of Public Instruction and the Department of Finance have already determined that the district inappropriately claimed average daily attendance for apportionment funding, that the non-compliance in this case was not “minor and inadvertent,” and that the amount is owed to the State.

I am reducing the appropriation in Section 55 from \$70,000 to \$50,000 by deleting subdivision (b) which allocates \$20,000 for planning grants to school districts engaged in community-wide master planning program. I am taking this action because of the need to fund higher competing priorities including attaining a prudent reserve.

PETE WILSON, Governor

LEGISLATIVE COUNSEL’S DIGEST

SB 1564, Schiff. Education Trailer Bill to the Budget Act of 1998.

(1) Under the existing Child Care and Development Services Act, the Superintendent of Public Instruction is charged with the responsibility of developing standards for the implementation of child care and development programs.

This bill would require the State Department of Education to develop prekindergarten learning development guidelines on or before June 30, 1999.

(2) Existing law, known as the Child Care and Development Services Act, requires, among other things, that the Superintendent of Public Instruction establish a fee schedule for families utilizing prescribed child care and development services.

This bill would require that, for purposes of determining the amount of a family fee for these services, prescribed social security income benefits and state supplemental program benefits, not be included as income.

(3) Under the existing Child Care and Development Services Act, “income eligible” means that a family’s adjusted monthly income is at or below 75% of the state median income, adjusted for family size, and adjusted annually.

This bill would require that, for purposes of this definition, prescribed social security income benefits and state supplemental program benefits, not be included as income.

(4) Under the existing Child Care and Development Services Act, eligibility requirements are established for participants in the CalWORKs program.

This bill would provide that current CalWORKs recipients are eligible to receive child care services under the Child Care and Development Services Act as long as they continue to receive aid under the CalWORKs program or any successor program.

(5) Under the existing Child Care and Development Services Act, county welfare departments are responsible for the management of the 1st stage during which a family participating in the CalWORKs program receives a child care subsidy. County welfare departments are required to move recipients out of this 1st stage as soon as possible after the county determines that the need for child care is stable.

This bill would require that former CalWORKs recipients who cannot be transitioned out of the 1st stage of child care because no funded slot is available are eligible to receive this child care for up to a total of 24 months after they leave cash aid, or until they are otherwise ineligible, thereby imposing a state-mandated local program.

(6) Under the existing Child Care and Development Services Act, the 2nd stage of child care begins when the county determines that the recipient’s work or approved work activity is stable or when a recipient is transitioning off of aid and child care is available through a local 2nd stage program. Existing law prohibits any family from receiving 2nd stage child care beyond 2 years after the family is no longer eligible for aid.

This bill would require that former CalWORKs recipients be eligible to receive child care in the 1st stage and the 2nd stage for up to a total of no more than 24 months after they leave cash aid, or until they are otherwise ineligible within that 24-month period, thereby imposing a state-mandated local program.



(7) Under the existing Child Care and Development Services Act, the 3rd stage of child care begins when a funded space is available for CalWORKs recipients and persons who received a lump-sum diversion payment and former CalWORKs recipients who are regularly employed at a wage that does not exceed 75% of the state median income.

This bill would instead provide that the 3rd stage of child care begins when a funded space is available and further provides that CalWORKs recipients are eligible for the 3rd stage of child care.

(8) Existing law requires that any funds in the State School Site Utilization Fund, including interest, that are not subject to return to a school district pursuant to a prescribed provision shall revert to the Deferred Maintenance Fund.

This bill would amend this provision to make a technical correction in a statutory cross-reference.

(9) Existing law, as set forth in Section 8 of Article XVI of the California Constitution, requires the state to apply a minimum amount of funding for each fiscal year for the support of school districts, as defined, and community college districts (hereafter the state's minimum funding obligation under Section 8). Existing law directs that the amount of state funding appropriated in each fiscal year comply with the state's minimum funding obligation under Section 8, and be distributed to school districts, as defined, to community college districts, and to state-operated schools according to a prescribed formula.

This bill would specify that this provision does not apply to the 1998-99 fiscal year.

(10) Existing law provides incentive funding for school districts that participate in prescribed programs involving the adoption by these participating school districts of extended instructional days or extended instructional years.

This bill would provide that any school district that elected not to participate in either or both of these longer-day and longer-year incentive funding programs may, under certain circumstances, commence participation in, and begin receiving funding for, either or both of these programs in the 1998-99 and 1999-2000 fiscal years, on the same basis as if it had participated in the program or programs since July 1, 1984.

(11) Existing law establishes the Class Size Reduction Program to provide funding to school districts to reduce class size in kindergarten and in grades 1 to 3, inclusive, to not more than 20 pupils per certificated teacher. Existing law authorizes a school district applying to implement the Class Size Reduction Program in additional classes in the 1997-98 school year to request that a portion of the maximum operating funds for which the school district would be eligible if fully reducing class size in kindergarten and in grades 1 to 3, inclusive, be used for facilities-related costs necessary for new

classes established under this program beyond those established in the 1996–97 school year.

This bill would extend this authority of a school district to use a portion of the maximum operating funds for facilities-related costs to the 1998–99 school year.

(12) Existing law, that provides a new funding formula for special education commencing in the 1998–99 fiscal year, requires computation of a special disabilities adjustment. Existing law requires the Office of the Legislative Analyst to conduct a study of the distribution of severe and costly disabilities and to submit a report of the fundings to the appropriate policy and fiscal committees of the Legislature on or before June 1, 1998, to include a method to adjust the funding formula for special education in order to recognize the distribution of severe and costly disabilities among special education local plan areas.

This bill would delete the special disabilities adjustment, and instead, require the State Department of Education, in conjunction with the Office of the Legislative Analyst, to calculate an incidence multiplier for each special education local plan area by November 2, 1998, and require the Department of Finance to approve the final incidence multiplier for each special education local plan area by November 23, 1998. The bill would require the Superintendent of Public Instruction to calculate in the 1998–99 fiscal year and each fiscal year thereafter to and including the 2002–03 fiscal year, an adjusted entitlement for the incidence of disabilities for each special education local plan area using the incidence multiplier for each special education local plan area. The bill would provide that if insufficient funds are appropriated in the current fiscal year to fund the adjusted entitlement for the incidence of disabilities, the amount received by each special education local plan area shall be prorated.

(13) Existing law, that provides a new funding formula for funding special education commencing in the 1998–99 fiscal year, includes certain federal preschool funds available to the state within the computation of general purpose special education funding for the 1998–99 fiscal year and each fiscal year thereafter.

This bill would delete the inclusion of those federal preschool funds from the calculation.

(14) Existing law provides state funding for early education for individuals with exceptional needs.

This bill would require an adjustment to be made in the 1998–99 fiscal year of the instructional personnel service unit rates used to compute state funding for early education for individuals with exceptional needs. This bill would require that property taxes used to fund a program for individuals with exceptional needs younger than 3 years of age in the special education local plan area for the 1997–98 fiscal year be excluded from these calculations.

(15) Existing law requires the Superintendent of Public Instruction to calculate allocations to special education local plan areas based on the average daily attendance reported for the special education local plan area, as prescribed.

This bill would revise the growth adjustment made for special education local plan areas with increasing average daily attendance.

(16) Existing law sets forth prescribed calculations to be made by the Superintendent of Public Instruction in computing the apportionment for a special education local plan area.

This bill would delete a provision containing some of these calculations.

(17) This bill would require the State Department of Education to calculate an “incidence multiplier” for each special education local plan area using the definition, methodology, and data provided in a prescribed report.

This bill would make an appropriation by requiring the State Department of Education to transfer from a specified amount in the Budget Act of 1998 for special education instruction to a specified amount in the Budget Act of 1998 for early education programs for individuals with exceptional needs, the amount of funding the department determines was received by a special education local plan area from property taxes in the 1997–98 fiscal year for early education programs for individuals with exceptional needs.

(18) Existing law requires the Superintendent of Public Instruction to design and implement a statewide pupil assessment program, as prescribed. Existing law with respect to this program requires, among other things, the development of a contract with a publisher or publishers, after the approval of statewide rigorous content and performance standards by the State Board of Education.

This bill would delete the reference to performance standards in this context.

(19) Existing law requires the State Board of Education to adopt statewide academically rigorous content and performance standards in prescribed core curriculum areas, and requires the State Department of Education to perform prescribed functions with regard to the adoption of these standards by the board. Existing law requires the State Board of Education to adopt assessment instruments that are aligned with the statewide content and performance standards to be adopted by the board, and prohibits the board from awarding contracts for any core curriculum area until after adoption of statewide content and performance standards for that core curriculum area. Existing law also authorizes the State Board of Education to convene an advisory panel to assist the board in the preparation of a request for proposals to develop instruments for use as assessments of applied academic skills and in the review and rating of proposals that are submitted.



This bill would require the State Board of Education to adopt statewide performance standards, and to complete the development of pupil assessments, in core curriculum areas on or before prescribed deadlines. The bill would amend the provision that prohibits the State Board of Education from awarding contracts for any core curriculum area until after adoption of statewide content and performance standards for that core curriculum area to provide that the contracts would not be awarded until after adoption of statewide content standards.

(20) Existing law establishes the Standardized Testing and Reporting (STAR) Program, under which achievement tests are administered to pupils in grades 2 to 11, inclusive. Under the STAR Program, pupils of limited English proficiency may take a 2nd achievement test in their primary language.

This bill would require that primary language tests administered under this program be subject to prescribed provisions relating to the conditions under which individual results of these tests may be released or reported. The bill would also require that these primary language tests produce individual pupil scores that are valid and reliable.

(21) Existing law requires publishers, in order to be eligible for consideration of their tests for use under the STAR program to agree, in writing, to enter into a standard agreement with all school districts in the state that includes a payment schedule and conditions prescribed by the State Board of Education.

This bill would require agreement each year, and establishes additional procedures for partial payments under certain circumstances.

(22) Existing law requires the State Board of Education to adopt a nationally normed test and to consider prescribed criteria, including alignment with academically rigorous content and performance standards adopted by the State Board of Education.

This bill would delete a reference to performance standards in this context.

(23) Under existing law, during the month of March, April, or May, the governing board of each school district maintaining any of grades 5, 7, and 9 is required to administer to each pupil in those grades the physical performance test designated by the State Board of Education.

This bill would require the State Department of Education to compile the results of the annual physical performance test and, on or before December 31 of each year, to submit a report to the Legislature and the Governor that compares the performance of California's pupils to national norms.

(24) Existing law expresses findings of the Legislature to the effect that there is a growing shortage of high quality classroom teachers, that certain populations are particularly underrepresented in the



teaching profession, and that the availability of financial aid and loan repayment assistance are often particularly important considerations for students from underrepresented postsecondary student populations.

This bill would amend these findings to delete the references to underrepresented postsecondary student populations.

(25) Existing law establishes an assumption program of loans for education under which any person enrolled in a participating institution of postsecondary education, or any person who agrees to participate in a teacher trainee or teacher internship program, is eligible to receive a conditional warrant for loan assumption, to be redeemed pursuant to a prescribed procedure upon becoming employed as a teacher. Existing law requires, as one of the conditions for eligibility in the loan assumption program, that the applicant agree to teach in a public school for at least 3 consecutive academic years after obtaining a teaching credential.

This bill would instead require that an applicant agree to teach in a public school for at least 4 consecutive academic years after obtaining a teaching credential.

(26) The existing assumption program of loans for education provides for the progressive assumption of the amount of the loans over 3 years of teaching service, up to a total loan assumption of \$8,000.

This bill would provide for the assumption of an additional \$3,000 of certain participant's outstanding liability after that program participant has completed 4 consecutive school years of teaching service, up to a total loan assumption of \$11,000.

(27) The existing assumption program of loans for education includes a provision expressing the intent of the Legislature that, commencing with the 1985–86 school year, all persons eligible to receive conditional warrants for loan assumptions under the program shall be persons who need to complete training or coursework in order to be fully credentialed to teach in a designated subject matter shortage area, or in schools serving a large population or students from low-income families. The program also includes a provision requiring the Student Aid Commission to distribute student applications and to enter into institutional agreements with participating postsecondary institutions.

This bill would provide that, notwithstanding these provisions, for the purposes of the recruitment of teachers from outside California, the Student Aid Commission shall annually distribute 500 warrants to school districts to be awarded to out-of-state teachers who meet certain requirements.

(28) The existing assumption program of loans for education includes various provisions requiring a certain amount of warrants to be awarded to applicants who agree to obtain teaching credentials in designated shortage areas.

This bill would provide that, within the number of warrants so awarded, the Student Aid Commission shall annually distribute a minimum of 2,000 awards to applicants who agree to obtain a teaching credential in mathematics or science. The bill would require the commission to adopt rules and regulations regarding the reallocation of these warrants in certain circumstances.

(29) The existing assumption program of loans for education provides that, in the event that a program participant fails to complete a minimum of 3 consecutive school years of classroom instruction as required under the program, the participant is required to assume full liability for all remaining student loan obligations, except for a situation in which the program participant is unable to complete one of the 3 years of service due to serious illness, pregnancy, or other natural causes, in which case the participant receives a deferral of the resumption of full liability for a period not to exceed one calendar year.

This bill would amend this provision so that it refers to 4 years of teaching service instead of 3.

(30) The existing assumption program of loans for education requires participating postsecondary institutions to sign an institutional agreement with the Student Aid Commission, certifying its intent to administer the loan assumption program according to all applicable published rules, regulations, and guidelines, and to make special efforts to notify students regarding the availability of the program, particularly those students who are members of populations underrepresented in the teaching profession.

This bill would delete the language relating to the special efforts to notify students who are members of underrepresented populations regarding the availability of the program, and instead provide for special efforts to notify economically disadvantaged students.

(31) Under the existing assumption program of loans for education, beginning no later than the 1986–87 school year, and each school year thereafter, the Student Aid Commission is required to issue warrants for the assumption of up to 500 student loans for eligible program participants.

This bill would instead require that, beginning no later than the 1998–99 school year, and each school year thereafter, the Student Aid Commission issue warrants for the assumption of up to 4,500 student loans for eligible program participants.

(32) Existing law establishes an assumption program of loans for students planning to enter the teaching profession.

This bill would establish a Graduate Assumption Program of Loans for Education for the purpose of encouraging students to complete their graduate educations and serve as faculty at an accredited California college or university.

The bill would set forth eligibility criteria for participation in the program.

(33) Existing law establishes the State Graduate Fellowship Program with prescribed purposes and eligibility criteria.

This bill would delete this program.

(34) Existing law requires the Chancellor of the California Community Colleges to calculate the revenue level of each community college district in accordance with a prescribed procedure.

This bill would require that, notwithstanding any other provision of law, if local revenues, as defined, for community colleges exceed the estimates included in the annual Budget Act for these revenue sources, an equivalent amount of general purpose funds appropriated for local assistance to the Board of Governors of the California Community Colleges in a prescribed item of that budget act shall only be allocated to community college districts for one-time purposes.

(35) Under existing law, the California Community Colleges are administered by the Board of Governors of the California Community Colleges.

This bill would establish the Partnership for Excellence program for the purpose of achieving annual performance goals and improving student learning and success in the California Community Colleges. Under the program, the Board of Governors of the California Community Colleges would develop goals and outcome measures to improve student success. Under the program, the Chancellor of the California Community Colleges would allocate funding to participating districts pursuant to appropriations in the annual Budget Acts. The program would be repealed as of January 1, 2005.

(36) This bill would establish in the Neurology Department at the University of California, San Francisco, a research project on substance abuse, with the major goal of the research to identify new pharmaceutical agents to prevent or treat alcohol and drug addiction.

(37) Existing law requires the State Department of Education to allocate funds to county offices of education for implementation of the tobacco use prevention program. Existing law sets forth a schedule for the amount to be allocated to county offices of education based on the average daily attendance (ADA) credited to all elementary, high, and unified school districts in the county and the county superintendent of schools under which a county with over 400,000 units of ADA receives 30¢ per unit of ADA and a county with more than 100,000 and less than 400,000 units of ADA receives 65¢ per unit of ADA.

This bill would increase the number of units of ADA from 400,000 to 555,000 as used in the schedule for the amount of allocation to be made for implementation of the tobacco use prevention program.

(38) Existing law establishes the Commission for Establishment of Academic Content and Performance Standards, consisting of 21 members. Under existing law, the provision establishing the commission becomes inoperative on July 1, 1999, and is repealed as of January 1, 2000.

This bill would instead repeal, as of January 1, 1999, the provision establishing the commission.

(39) Existing law appropriates \$500,000 from the General Fund to the County Office Fiscal Crisis and Management Assistance Team (FCMAT) for the purposes of conducting the assessments and completing the recovery plans relating to emergency loans that were made to the Compton Unified School District.

This bill would declare that this appropriation shall be deemed to count towards the state's minimum funding obligation under Section 8 for the 1997–98 fiscal year.

(40) This bill would provide that, notwithstanding any other provision of law, any and all funds appropriated in 11 prescribed items of the Budget Act of 1998, and an amount appropriated for purposes of revenue limit adjustments for school districts, are in lieu of the amounts that would otherwise be required to be appropriated pursuant to any other provision of law.

(41) Existing law establishes the State School Deferred Maintenance Fund as a continuously appropriated fund and requires the State Allocation Board to apportion funds to school districts from the State School Deferred Maintenance Fund on a matching basis up to a calculated maximum amount, to the extent funds are available.

This bill would transfer \$100,000,000 from the General Fund to the State School Deferred Maintenance Fund, thereby making an appropriation, for allocation by the State Allocation Board to school districts for high priority, critical needs projects, as defined by the board to mean projects that school districts were unable to complete with funds provided pursuant to the matching fund above, including, but not limited to, removal of underground storage tanks, roof, maintenance and replacement, and projects required to ensure the health and safety of pupils.

Section 8 of Article XVI of the California Constitution requires that the moneys applied by the state for the support of school districts and community colleges shall not be less than a specified percentage of General Fund revenues.

This bill would declare that this amount is to be applied toward the minimum funding requirements for the 1997–98 fiscal year for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.



(42) This bill would appropriate \$75,142,000 from the General Fund for transfer to Section B of the State School Fund for the purpose of providing one-time grants to community college districts for the 1998-99 fiscal year, as prescribed.

(43) This bill would appropriate \$266,000,000 from the General Fund, as follows:

(a) \$86,000,000 to the Superintendent of Public Instruction, without regard to fiscal year, exclusively for allocation for installation grants for the Digital High School Program.

(b) \$180,000,000 for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the purpose of providing funds to each regular public school in the state for the 1998-99 fiscal year. This amount would be allocated on the basis of units of average daily attendance and used in accordance with proposals of schoolsite councils, schoolwide advisory groups, or school support groups, as approved by school district governing boards, as prescribed.

(44) Existing law provides that the fee to be levied by the Commission on Teacher Credentialing for the issuance and renewal of teaching and service credentials to be up to \$70.

This bill would provide that, notwithstanding this provision, the fee for the issuance and renewal of teaching credentials shall be \$60, and the fee for emergency substitute permits shall be \$55, for the 1998-99 fiscal year.

(45) Under the proposed 1998 Budget Bill, certain funds are appropriated to the State Department of Education from the Federal Trust Fund for the purpose of adult education.

This bill would appropriate \$12,500,000 from the General Fund, for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to local education agencies, on a one-time basis, for the purpose of providing services to CalWORKs-eligible recipients, in accordance with the bill. This appropriation would become operative only if a prescribed appropriation made for the same purpose in the Budget Act of 1998 does not become operative.

This bill would require that these funds be used only for educational activities for CalWORKs-eligible recipients and would set forth conditions under which these funds could be expended by local education agencies.

(46) Existing law establishes various adult education programs and establishes various regional occupational centers and programs throughout the state.

This bill would require the State Department of Education to develop a data and accountability system to obtain information on education and job training services provided through state-funded adult education programs and regional occupational centers and programs.

(47) The Education Trailer Bill to the Budget Act of 1996, among other things, appropriated \$387,000,000 from the General Fund to the Superintendent of Public Instruction for allocation to each regular public school meeting prescribed requirements relating to the development of a proposal for the expenditure of the money by a schoolsite council or other school support groups.

This bill would provide that the Rio Dell Elementary School District and the Silver Fork Elementary School District are eligible to expend these funds if the schoolsite councils or schoolwide advisory groups of the respective school districts approve a proposal no later than January 1, 1999.

(48) The Education Trailer Bill to the Budget Act of 1996, among other things, appropriated \$2,000,000 from the General Fund for allocation to the Superintendent of Public Instruction to the Golden Gate Institute for Indigenous Cultures and to the California Indian Museum for the purpose of assisting in the retrofit and renovation of designated buildings at the Presidio in San Francisco.

This bill would provide that, notwithstanding this provision, these funds are available for expenditure for the costs of establishing the California Indian Museum.

(49) This bill would appropriate \$79,500,000 from the General Fund to the Superintendent of Public Instruction, for allocation as follows:

(a) \$71,500,000 for a program to provide funding for science laboratory materials and equipment.

(b) \$5,000,000 for a joint-use libraries program, in accordance with a prescribed schedule.

(c) \$3,000,000 for funding regional demonstration pilot programs of technical assistance to teach school districts with Healthy Start sites how to develop strategic plans and materials specifically designed to support corporate funding development.

(50) This bill would appropriate \$10,103,572 from the General Fund to the State Controller, for reimbursement of claims received from certain school districts for costs of court-ordered and voluntary desegregation programs.

Section 8 of Article XVI of the California Constitution requires that the moneys applied by the state for the support of school districts and community colleges shall not be less than a specified percentage of General Fund revenues.

This bill would declare that this amount is to be applied toward the minimum funding requirements for the 1997–98 fiscal year for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(51) This bill would require the Superintendent of Public Instruction to apply the same deficit factor to school district and county office of education revenue limits for the 1998–99 fiscal year

as was used for those calculations in the 1997–98 fiscal year, as prescribed.

(52) This bill would reappropriate \$78,425,000 from the Proposition 98 Reversion Account, for allocation as follows:

(a) \$30,000,000 to the State Department of Education for allocation for school-based mathematics staff development.

(b) \$1,053,000 to fund testing for the presence of lead in drinking water in public elementary and secondary schools.

(c) \$4,152,000 for allocation to the Oxnard Union High School District for the purpose of extending the school year.

(d) \$5,000,000 for a program that provides financial incentives to teachers for achieving certification from the National Board for Professional Teaching Standards.

(e) \$6,000,000 for school districts for shortfalls in year-round incentive grants.

(f) \$5,500,000 to implement the model budget and accounting system.

(g) \$3,400,000 to the County Office Fiscal Crisis and Management Assistance Team for the purpose of implementing the California School Information Services program.

(h) \$10,000,000 for allocation to school districts and county offices of education that adopt a community policing program, as prescribed.

(i) \$4,130,000 for the costs associated with the settlement of the Long Beach Unified School District desegregation case.

(j) \$740,000 to the Moorpark Unified School District for transportation costs for the 1998–99 fiscal year.

(k) \$350,000 for allocation to the Napa Valley Unified School District for the Napa County Regional Occupational Center/Program.

(l) \$2,600,000 for allocation to a consortium of county offices of education, on a one-time basis, for 3-year grants, beginning with the 1998–99 fiscal year, for the purpose of supporting technical assistance and focused group training to teach school districts how to maximize reimbursements of federal funds for Medi-Cal services and case management.

(m) \$5,500,000 for transfer to the Charter School Revolving Loan Fund.

(53) This bill would appropriate \$5,130,000 from the General Fund to the Superintendent of Public Instruction, for allocation as follows:

(a) \$110,000 to the Pasadena Unified School District for the purchase of textbooks for a tutoring program and for support of the Pasadena Youth Center, as prescribed.

(b) \$80,000 to the Santa Paula Unified School District for renovating a swimming pool.

(c) \$50,000 to the Montebello Unified School District for purchasing school security devices.

(d) \$180,000 to the San Luis Obispo County Office of Education for support of the Port San Luis Marine Center.

(e) \$180,000 to the Los Angeles County Office of Education for developing middle school civic education curricula.

(f) \$150,000 to the Temple City Unified School District for support of the Temple City Arts Academy.

(g) \$200,000 for allocation on a grant basis to local educational agencies for support of home economics careers programs, pursuant to legislation enacted in the 1997–98 Regular Session.

(h) \$20,000 to the Ventura Unified School District for modernizing the stadium at Buena High School.

(i) \$500,000 to the Rio School District for construction of the Rio Del Valle Gymnasium.

(j) \$500,000 to the Lucia Mar School District for constructing a performing arts center.

(k) \$300,000 to the Los Angeles Unified School District for support of the California Arts Initiative.

(l) \$480,000 to the Santa Barbara High School District and its feeder elementary districts, the Sacramento City Unified School District, and the Western Placer Unified School District, for supporting community-wide school facilities planning pilot projects intended to result in the building of lower cost, higher quality schools.

(m) \$1,000,000 for allocation on a grant basis to local educational agencies for high school coaching training, pursuant to legislation enacted in the 1997–98 Regular Session.

(n) \$700,000 to the Los Alamitos Unified School District for support of the Los Alamitos High School for the Arts.

(o) \$100,000 to the San Diego City Unified School District for supporting the Home Instruction for Preschool Youngsters program.

(p) \$400,000 to the Santa Ana Unified School District for support of an arts and technology outreach program.

(54) This bill would reappropriate \$5,128,893 from the Proposition 98 Reversion Account to the Superintendent of Public Instruction, for allocation as follows:

(a) \$1,248,500, as divided among all single-school school districts in equal amounts, for purchase of laptop computers, as prescribed.

(b) \$30,000 to the San Bernardino County Office of Education for work in collaboration with the City of Rancho Cucamonga to support an after-school “at-risk youth” program.

(c) \$50,000 to the Santa Clara County Office of Education to support the development of educational networks among schools under the jurisdiction of the office.

(d) \$26,500 to the Alta-Dutch Flat Union School District to provide afternoon school busing service.

(e) \$350,000 to the Imperial County Office of Education to support a technology infrastructure project to link local schools through a local area network.

(f) \$375,000 to the Anaheim City School District to support the Anaheim Achieves community and school district collaborative program.

(g) \$650,000 to the Merced County Office of Education for establishing pilot programs linking education, employability skills, and job opportunities for at-risk youth in Merced County, as prescribed.

(h) \$50,000 to the Bellflower Unified School District to implement the Bellflower Against Gangs Program.

(i) \$75,000 to the ABC Unified School District to design and implement the Artesia Youth Academy to provide educational, leadership, and community services for pupils in grades 4, 5, and 6.

(j) \$473,893 to the Pasadena Unified School District for repayment of funds withheld as a result of an audit of average daily attendance for the school district's kindergarten and prekindergarten programs in the 1995–96 fiscal year.

(k) \$500,000 to the County Office Fiscal Crisis and Management Team for implementing the recovery plan for the Compton Unified School District.

(l) \$1,000,000 to the Glendale Unified School District to reimburse the school district for its costs incurred in modernizing facilities for public access to technology, including technology infrastructure projects, in connection with a joint-use Library Revitalization Project of the Edison School/Pacific Park Model Neighborhood Community.

(m) \$100,000, divided equally between the Burbank and Glendale unified school districts, to allow the school districts to participate in the Manufacturing Technologies Laboratory School to Work Program.

(n) \$200,000 to the Grossmont Union High School District for costs associated with an athletic facility at West Hills High School.

(55) This bill would appropriate \$70,000 from the General Fund to the Superintendent of Public Instruction, as follows:

(a) \$50,000 for providing scholarships to pupils participating in the California-Japan Scholars program.

(b) \$20,000 for coordination of community-wide facilities planning pilot projects.

(56) This bill would require the Superintendent of Public Instruction to certify to the Controller amounts that do not exceed the amounts needed to fund the revenue limits of school districts, as prescribed.

(57) The bill would specify 4 appropriations that would be available for expenditures for the purposes of prescribed statutes relating to the statewide pupil assessment program.

(58) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims

Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

(59) This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 8203.3 is added to the Education Code, to read:

8203.3. On or before June 30, 1999, the State Department of Education shall develop pre-kindergarten learning development guidelines. The development of these guidelines shall be funded from funds appropriated for this purpose in the Budget Act of 1998. The guidelines shall focus on preparing four- and five-year-old children for kindergarten. The guidelines shall identify appropriate developmental milestones for each age, how to assess where children are in relation to the milestones, and suggested methods for achieving the milestones. In addition, the guidelines shall identify any basic beginning skills needed to prepare children for kindergarten or first grade, and methods for teaching these basic skills. The guidelines shall be articulated with the academic content and performance standards adopted by the State Board of Education for kindergarten and grades 1 to 12, inclusive. The State Department of Education may contract with an appropriate public or private agency to develop the guidelines.

SEC. 2. Section 8263 of the Education Code is amended to read:

8263. (a) The Superintendent of Public Instruction shall adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement this chapter. In order to be eligible for federal and state subsidized child development services, families shall meet at least one requirement in each of the following areas:

(1) A family is (A) a current aid recipient, (B) income eligible, (C) homeless, or (D) one whose children are recipients of protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(2) A family needs the child care service because the child is identified by a legal, medical, social service agency, or emergency shelter as (A) a recipient of protective services, (B) being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation, or (C) having a medical or psychiatric special need which cannot be



met without provision of child day care, or the parents are (i) engaged in vocational training leading directly to a recognized trade, paraprofession, or profession, (ii) employed or seeking employment, (iii) seeking permanent housing for family stability, or (iv) incapacitated, including a medical or psychiatric special need which cannot be met without provision of child day care.

(b) Except as provided in Article 15.5 (commencing with Section 8350), priority for state and federally subsidized child development services is as follows:

(1) First priority shall be given to neglected or abused children who are recipients of child protective services, or recipients who are at risk of being neglected or abused, upon written referral from a legal, medical, or social service agency. When an agency is unable to enroll a child in the first priority category, the agency shall refer the family to local resource and referral services to locate services for the child.

(2) Second priority shall be equally given to eligible families, regardless of the number of parents in the home, who are income eligible. Within this priority, families with the lowest gross monthly income in relation to family size, as determined by a schedule adopted by the superintendent, shall be admitted first. When two or more families are in the same priority in relation to income, the family that has been on the waiting list for the longest amount of time shall be admitted first. For purposes of determining order of admission, the grants of public assistance recipients shall be counted as income.

(3) The superintendent shall set criteria for and may grant specific waivers of the priorities established in this subdivision for agencies that wish to serve specific populations, including disabled children or children of prisoners. These new waivers shall not include proposals to avoid appropriate fee schedules or admit ineligible families, but may include proposals to accept members of special populations in other than strict income order, as long as appropriate fees are paid.

(c) Notwithstanding any other provision of law, in order to promote continuity of services, a family enrolled in a state or federally funded child care and development program whose services would otherwise be terminated because the family no longer meets the program income, eligibility, or need criteria may continue to receive child development services in another state or federally funded child care and development program if the contractor is able to transfer the family's enrollment to another program for which the family is eligible prior to the date of termination of services or to exchange the family's existing enrollment with the enrollment of a family in another program, provided that both families satisfy the eligibility requirements for the program in which they are being enrolled. The transfer of enrollment may be to another program



within the same administrative agency or to another agency that administers state or federally funded child care and development programs within that county.

(d) A physical examination and evaluation, including age-appropriate immunization, shall be required prior to, or within six weeks of, enrollment. No standard, rule, or regulation shall require medical examination or immunization for admission to a child care and development program of a child whose parent or guardian files a letter with the governing board of the child care and development program stating that the medical examination or immunization is contrary to his or her religious beliefs, or provide for the exclusion of a child from the program because of a parent or guardian having filed the letter. However, whenever there is good cause to believe that a child is suffering from a recognized contagious or infectious disease, the child shall be temporarily excluded from the program until the governing board of the child care and development program is satisfied that any contagious or infectious disease does not exist.

(e) Regulations formulated and promulgated pursuant to this section shall include the recommendations of the State Department of Health Services relative to health care screening and the provision of health care services. The superintendent shall seek the advice and assistance of these health authorities in situations where service under this chapter includes or requires care of ill or disabled children.

(f) The superintendent shall establish a fee schedule for families utilizing child care and development services pursuant to this chapter. The income of a recipient of federal supplemental security income benefits pursuant to Title XVI of the Federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program benefits pursuant to Title XVI of the Federal Social Security Act and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code shall not be included as income for the purposes of determining the amount of the family fee. The fee schedule shall include, but not be limited to, the following restrictions:

(1) No fees shall be assessed for families whose children are enrolled in the state preschool program.

(2) A contractor or provider may require parents to provide diapers. A contractor or provider offering field trips either may include the cost of the field trips within the service rate charged to the parent or may charge parents an additional fee. No federal or state money shall be used to reimburse parents for the costs of field trips if those costs are charged as an additional fee. A contractor or provider that charges parents an additional fee for field trips shall inform parents, prior to enrolling the child, that a fee may be charged and that no reimbursement will be available. A contractor or



provider may charge parents for field trips or require parents to provide diapers only under the following circumstances:

(A) The provider has a written policy that is adopted by the agency's governing board that includes parents in the decisionmaking process regarding both of the following:

(i) Whether or not, and how much, to charge for field trip expenses.

(ii) Whether or not to require parents to provide diapers.

(B) The maximum total of charges per child in a contract year does not exceed twenty-five dollars (\$25).

(C) No child is denied participation in a field trip due to the parent's inability or refusal to pay the charge. No adverse action shall be taken against any parent for that inability or refusal.

Each contractor or provider shall establish a payment system that prevents the identification of children based on whether or not their parents have paid a field trip charge.

Expenses incurred and income received for field trips pursuant to this section, shall be reported to the State Department of Education. The income received for field trips shall be reported specifically as restricted income.

(g) The superintendent shall establish guidelines for the collection of employer-sponsored child care benefit payments from any parent whose child receives subsidized child care and development services. These guidelines shall provide for the collection of the full amount of the benefit payment, but not to exceed the actual cost of child care and development services provided, notwithstanding the applicable fee based on the fee schedule.

(h) The superintendent shall establish guidelines according to which the director or a duly authorized representative of the child care and development program will certify children as eligible for state reimbursement pursuant to this section.

(i) No public funds shall be paid directly or indirectly to any agency that does not pay at least the minimum wage to each of its employees.

SEC. 3. Section 8263.1 of the Education Code is amended to read:

8263.1. (a) For purposes of this chapter, "income eligible" means that a family's adjusted monthly income is at or below 75 percent of the state median income, adjusted for family size, and adjusted annually. The income of a recipient of federal supplemental security income benefits pursuant to Title XVI of the Federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program benefits pursuant to Title XVI of the Federal Social Security Act and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code shall not be included as income for the purposes of determining eligibility for child care under this chapter.

(b) As of January 1, 1998, children in subsidized child care programs with an exit criteria of 100 percent of the state median income, whose family income adjusted for family size, is above 75 percent of the state median income shall not be displaced and shall continue to receive child care services as long as they continue to meet the criteria that apply to the program on December 31, 1997. The parent fee schedule for these programs in effect on December 31, 1997, shall continue to be applied until the department adopts a new fee schedule that applies to these families.

SEC. 4. Section 8350.5 is added to the Education Code, to read:

8350.5. Current CalWORKs recipients are eligible for all child care services under this article as long as they continue to receive aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, or any successor program. Family size and income, for purposes of calculating family fees, shall be determined pursuant to Section 8263.

SEC. 5. Section 8351 of the Education Code is amended to read:

8351. (a) The county welfare department shall manage the first stage during which a family shall receive a child care subsidy for any legal care chosen by the parent. The first stage begins upon the entry of a person into the program prescribed by Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code.

(b) A county shall move recipients out of this first response stage as quickly as possible after the county determines that the need for child care is stable. A recipient may be served in this stage for a maximum of six months. The six-month time limit may be extended if the county determines that the recipient's situation is too unstable to be shifted to the second stage or if no funds are available to provide child care services in the second stage.

(c) Former CalWORKs recipients who cannot be transitioned from the first stage of child care because no funded slot is available are eligible to receive the first stage and any subsequent stage two child care services for up to a total of 24 months after they leave cash aid, or until they are otherwise ineligible within that 24-month period. Family size and income for purposes of determining eligibility and family fee shall be determined pursuant to Sections 8263 and 8263.1.

(d) A county may contract with public or private child care providers to provide any or all of the services during the first stage. If the county welfare department elects to contract with any child care provider that is also under contract with the State Department of Education, these contracts shall be consistent with state law.

SEC. 6. Section 8353 of the Education Code is amended to read:

8353. (a) The second stage of child care begins when the county determines that the recipient's work or approved work activity is stable or when a recipient is transitioning off of aid and child care is

available through a local stage two program. The local stage two agency shall assist in moving families to stage three as quickly as feasible. Former CalWORKs recipients are eligible to receive child care services in stage one and stage two for up to a total of no more than 24 months after they leave cash aid, or until they are otherwise ineligible within that 24-month period. Family size and income for purposes of determining eligibility and calculating the family fee shall be determined pursuant to Sections 8263 and 8263.1.

(b) The second stage shall be administered by agencies contracting with the State Department of Education. These contractors may be either agencies that have an alternative payment contract pursuant to Section 8220.1 or county welfare departments that choose to administer this stage in order to continue to provide child care services for recipients or former recipients of aid. If the county chooses to contract with the department to provide alternative payment services, this contract shall not displace, or result in the reduction of an existing contract of, a current alternative payment program.

SEC. 7. Section 8354 of the Education Code is amended to read:

8354. (a) The third stage of child care begins when a funded space is available. CalWORKs recipients are eligible for the third stage of child care. Persons who received a lump-sum diversion payment and former CalWORKs participants are eligible if they have an income that does not exceed 75 percent of the state median income. The third stage shall be administered by programs contracting with the State Department of Education. Parents' eligibility for child care and development services will be governed by Section 8263 and regulations adopted by the State Department of Education.

(b) In order to move welfare recipients and former recipients from their relationship with county welfare departments to relationships with institutions providing services to working families, it is the intent of the Legislature that families that are former recipients of aid, or are transitioning off aid, receive their child care assistance in the same fashion as other low-income working families. Therefore, it is the intent of the Legislature that families no longer rely on county welfare departments to obtain child care subsidies beyond the time they are receiving other services from the welfare department.

(c) A county welfare department shall not administer the third stage of child care for CalWORKs recipients except to the extent to which it delivered those services to families receiving, or within one year of having received, Aid to Families with Dependent Children prior to the enactment of this section.

(d) This article does not preclude county welfare departments from operating an alternative payment program under contract with

the State Department of Education to serve families referred by child protective services.

SEC. 8. Section 17224 of the Education Code is amended to read:

17224. Any funds in the State School Site Utilization Fund, including interest, that are not subject to return to a school district pursuant to Section 17223 shall revert to the Deferred Maintenance Fund.

SEC. 9. Section 41203.1 of the Education Code is amended to read:

41203.1. (a) For the 1990–91 fiscal year and each fiscal year thereafter, allocations calculated pursuant to Section 41203 shall be distributed in accordance with calculations provided in this section. Notwithstanding Section 41203, and for the purposes of this section, school districts, community college districts, and direct elementary and secondary level instructional services provided by the State of California shall be regarded as separate segments of public education, and each of these three segments of public education shall be entitled to receive respective shares of the amount calculated pursuant to Section 41203 as though the calculation made pursuant to subdivision (b) of Section 8 of Article XVI of the California Constitution were to be applied separately to each segment and the base year for the purposes of this calculation under paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution were based on the 1989–90 fiscal year. Calculations made pursuant to this subdivision shall be made so that each segment of public education is entitled to the greater of the amounts calculated for that segment pursuant to paragraph (1) or (2) of subdivision (b) of Section 8 of Article XVI of the California Constitution.

(b) If the single calculation made pursuant to Section 41203 yields a guaranteed amount of funding that is less than the sum of the amounts calculated pursuant to subdivision (a), then the amount calculated pursuant to Section 41203 shall be prorated for the three segments of public education.

(c) Notwithstanding any other provision of law, this section shall not apply to the 1992–93 fiscal year.

(d) Notwithstanding any other provision of law, this section shall not apply to the 1993–94 fiscal year.

(e) Notwithstanding any other provision of law, this section shall not apply to the 1994–95 fiscal year.

(f) Notwithstanding any other provision of law, this section shall not apply to the 1995–96 fiscal year.

(g) Notwithstanding any other provision of law, this section shall not apply to the 1996–97 fiscal year.

(h) Notwithstanding any other provision of law, this section shall not apply to the 1997–98 fiscal year.



(i) Notwithstanding any other provision of law, this section shall not apply to the 1998–99 fiscal year.

SEC. 10. Section 46201.6 is added to the Education Code, to read:

46201.6. Any school district that elected not to participate in either or both of the longer-day and longer-year incentive funding programs set forth in this article may commence participation in, and begin receiving funding for, either or both of those programs in the 1998–99 or 1999–2000 fiscal years, on the same basis as if it had participated in the program or programs since July 1, 1984, if the district meets the requirement of paragraph (3) of subdivision (a) of Section 46201 in the fiscal year in which it commences participation and each fiscal year thereafter.

SEC. 11. Section 52122.1 of the Education Code is amended to read:

52122.1. (a) A school district applying to implement the Class Size Reduction Program in additional classes in the 1997–98 and 1998–99 school years may request that a portion of the maximum operating funds for which the school district would be eligible if fully reducing class size in kindergarten and in grades 1 to 3, inclusive, pursuant to the provisions of subparagraph (A) of paragraph (2) of subdivision (b) of Section 52122, be used for facilities-related costs necessary for new classes established under this program beyond those established in the prior school year.

(b) An application made pursuant to this section, the form of which shall be developed by the Superintendent of Public Instruction not later than 30 days after the Budget Act of 1997 is chaptered, shall be submitted by each school district that elects to apply for funding under this section not later than 90 days after the Budget Act of the fiscal year in which the application is made is chaptered, and shall include certification by the governing board of the school district that, in the school year for which the application is being submitted, the school district can show one of the following:

(1) In the 1996–97 fiscal year, the school district received funding for the Class Size Reduction Facilities Funding Program pursuant to Chapter 19 (commencing with Section 17200) of Part 10.

(2) The school district is qualified as of the date of the application for new construction funding under the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 12 (commencing with Section 17000) of Part 10) on a districtwide basis or for the relevant school attendance area, as defined in Section 17041, or the district is eligible to receive growth funding from another statewide school construction program.

(3) The school district has insufficient classroom space to house all the new classes that need to be established in order for the district to participate in the Class Size Reduction Program contained in this chapter, as demonstrated through the eligibility calculation specified in Section 17203 that shall be certified by the governing board of the

school district, adjusted to exclude new teaching stations established in the school year for which the application is being submitted for this program.

(c) School districts requesting funds for facilities pursuant to this section are eligible to receive forty thousand dollars (\$40,000) for each new teaching station that is needed to be established for the purpose of expanding the Class Size Reduction Program in the 1997–98 and 1998–99 school years beyond the number of new classes established in the prior school year pursuant to subparagraph (A) of paragraph (2) of subdivision (b) of Section 52122.

(1) The maximum amount of funds a school district may receive for both operation funds, pursuant to subparagraphs (A) and (B) of paragraph (2) of subdivision (b) of Section 52122, and facility funds provided by this section, is limited to the number of students in kindergarten through grades 1 to 3, inclusive, multiplied by the Option One stipend specified in Section 52126.

(2) The maximum initial apportionment for facilities-related costs available to a school district under this section shall be calculated as follows:

(A) Multiply the district's certified enrollment in kindergarten and grades 1 to 3, inclusive, as of October of the previous school year by the per pupil stipend established by subdivision (a) of Section 52126 for the school year for the year in which the application is being submitted.

(B) Subtract from the amount determined in subparagraph (A) the product of the number of pupils the district certifies will be in a class which satisfies the provisions of subparagraph (A) of paragraph (2) of subdivision (b) of Section 52122 during the school year for the year in which the application is being submitted times the per pupil stipend for the school year in subdivisions (a) and (c) of Section 52126 for which the application is being submitted.

(C) Subtract from the amount determined in subparagraph (B) the product of the number of pupils the district certifies will be in a class which satisfies the provisions of subparagraph (B) of paragraph (2) of subdivision (b) of Section 52122 during the school year for the year in which the application is being submitted times the per pupil stipend in subdivisions (b) and (d) of Section 52126 for which the application is being submitted.

(D) In no case shall a district receive facilities funding of more than forty thousand dollars (\$40,000) per new class that is needed to expand the Class Size Reduction Program during the school year for which the application is being submitted.

(3) If, by June 30, of the year in which a facilities grant has been requested, or by a later date specified in a statute, the State Department of Education determines that the school district was eligible to receive facilities grants in excess of the number of facilities grants actually received, the department may award additional

grants to the school district, to the extent that the funds are available for this purpose. To determine if funds are available to a school district for this purpose, the department shall use the calculations in subparagraphs (A) to (D), inclusive, of paragraph (2), but adjusted for actual implementation of the Class Size Reduction Program and yearend enrollment.

(d) The funds allocated pursuant to this section shall be considered to be a loan to the school district receiving the funds. The following loan repayment provisions shall apply to all allocations made pursuant to this section:

(1) If the school district is eligible to receive grants pursuant to the provisions of subparagraph (A) of paragraph (2) of subdivision (b) of Section 52122 for the 1997–98 or 1998–99 school year and has satisfied all requirements to receive these funds in the 1997–98 or 1998–99 school year, for all classes for which it received facilities funding pursuant to this section, as determined by the State Department of Education, the school district shall not be required to repay the loan.

(2) If a school district receives funding pursuant to this section, but has not satisfied the requirements of paragraph (1) for all classes for which it received facilities funds, the Superintendent of Public Instruction shall notify the Controller and school district in writing, and the Controller shall deduct an amount equal to the portion of the total loan amount received by the school district under this subdivision for the classes that the school district failed to reduce the size to 20 or fewer pupils pursuant to the provisions of subparagraph (A) of paragraph (2) of subdivision (b) of Section 52122, from the school district's next principal apportionment or apportionments of state funds to the school district, other than basic aid apportionments required by Section 6 of Article IX of the California Constitution.

(e) Funds allocated to school districts pursuant to this section shall be expended solely for the purpose of facilities-related costs associated with the implementation of the Class Size Reduction Program contained in this chapter.

(f) Funds shall not be allocated to school districts pursuant to this section for the purpose of assisting school districts in implementing Option Two, as set forth in paragraph (2) of subdivision (b) of Section 52122.

(g) Nothing in this section shall be construed as precluding school districts from fully implementing class size reduction in kindergarten and grades 1 to 3, inclusive.

(h) It is the intent of the Legislature that, for each new teaching station a school district establishes for the purpose of class size reduction for which the school district did not receive a facilities grant under this section or any previous appropriation for this purpose, the school district shall be eligible for facilities funding from

any state general obligation bond measure approved for that purpose.

(i) For purposes of this section, any reference to school districts shall be deemed to include any charter school.

SEC. 12. Section 56428 of the Education Code is amended to read:

56428. (a) For the 1985–86 fiscal year, and each fiscal year thereafter, any instructional personnel service unit that was used in the prior fiscal year to provide services to children younger than three years of age shall continue to be used for that purpose. If a special education local plan area becomes ineligible for all or any portion of those instructional personnel service units operated and fundable in the prior fiscal year, the Superintendent of Public Instruction shall allocate those units to another local plan area for the purpose of providing services to children younger than three years of age.

(b) In the 1998–99 fiscal year, the instructional personnel service unit rates used to compute state funding under this chapter shall be adjusted to represent the actual, historic inflation adjustment amount funded for each provider of early education services under this chapter. To make this adjustment, the superintendent shall make the following calculation:

(1) Divide the amount of funding received by the special education local plan area in the 1997–98 fiscal year from property taxes and state aid, after applying the deficit, for early education for individuals with exceptional needs by the amount the special education local plan area was entitled to receive for the 1997–98 fiscal year for that program.

(2) Multiply the amount determined in paragraph (1) by the instructional personnel service unit rates for the 1997–98 fiscal year used to compute state funding for early education for individuals with exceptional needs prior to the application of the inflation adjustment for the 1998–99 fiscal year.

(c) For the 1998–99 fiscal year, the department shall transfer an amount from schedule (a) to schedule (b) of Item 6110-161-0001 of Section 2.00 of the Budget Act of 1998, equal to the amount determined by the department, with the approval of the Department of Finance, to be the amount of funding received by the special education local plan area from property taxes in the 1997–98 fiscal year for early education programs for individuals with exceptional needs, multiplied by the inflation factor computed pursuant to Section 42238.1 for the 1998–99 fiscal year and adjusted for the estimated growth in average daily attendance for kindergarten and grades 1 to 12, inclusive, pursuant to the May Revision of the Governor's Budget for the 1998–99 fiscal year.

SEC. 13. Section 56836.08 of the Education Code, as amended by Chapter 89 of the Statutes of 1998, is amended to read:

56836.08. (a) For the 1998–99 fiscal year, the superintendent shall make the following computations to determine the amount of funding for each special education local plan area:

(1) Add the amount of funding per unit of average daily attendance computed for the special education local plan area pursuant to paragraph (1) of subdivision (a) of Section 56836.10 to the inflation adjustment computed pursuant to subdivision (d) for the 1998–99 fiscal year.

(2) Multiply the amount computed in paragraph (1) by the units of average daily attendance reported for the special education local plan area for the 1997–98 fiscal year.

(3) Add the actual amount of the equalization adjustment, if any, computed for the 1998–99 fiscal year pursuant to Section 56836.14 to the amount computed in paragraph (2).

(4) Add or subtract, as appropriate, the adjustment for growth computed pursuant to Section 56836.15 from the amount computed in paragraph (3).

(b) For the 1999–2000 fiscal year and each fiscal year thereafter, the superintendent shall make the following computations to determine the amount of funding for each special education local plan area for the fiscal year in which the computation is made:

(1) Add the amount of funding per unit of average daily attendance computed for the special education local plan area for the prior fiscal year pursuant to Section 56836.10 to the inflation adjustment computed pursuant to subdivision (d) for the fiscal year in which the computation is made.

(2) Multiply the amount computed in paragraph (1) by the units of average daily attendance reported for the special education local plan area for the prior fiscal year.

(3) Add the actual amount of the equalization adjustment, if any, computed for the special education local plan area for the fiscal year in which the computation is made pursuant to Section 56836.14 to the amount computed in paragraph (2).

(4) Add or subtract, as appropriate, the adjustment for growth or decline in enrollment, if any, computed for the special education local plan area for the fiscal year in which the computation is made pursuant to Section 56836.15 from the amount computed in paragraph (3).

(c) For the 1998–99 fiscal year and each fiscal year thereafter, the superintendent shall make the following computations to determine the amount of General Fund moneys that the special education local plan area may claim:

(1) Add the total of the amount of property taxes for the special education local plan area pursuant to Section 2572 for the fiscal year in which the computation is made to the amount of federal funds allocated for the purposes of paragraph (1) of subdivision (a) of Section 56836.09 for the fiscal year in which the computation is made.



(2) Add the amount of funding computed for the special education local plan area pursuant to subdivision (a) for the 1998–99 fiscal year, and commencing with the 1999–2000 fiscal year and each fiscal year thereafter, the amount computed for the fiscal year in which the computations were made pursuant to subdivision (b) to the amount of funding computed for the special education local plan area pursuant to Article 3 (commencing with Section 56836.16).

(3) Subtract the sum computed in paragraph (1) from the sum computed in paragraph (2).

(d) For the 1998–99 fiscal year and each fiscal year thereafter, the superintendent shall make the following computations to determine the inflation adjustment for the fiscal year in which the computation is made:

(1) For the 1998–99 fiscal year, multiply the sum of the statewide target amount per unit of average daily attendance for special education local plan areas for the 1997–98 fiscal year computed pursuant to paragraph (3) of subdivision (a) of Section 56836.11 and the amount determined pursuant to paragraph (e) of Section 56836.155 for the 1997–98 fiscal year by the inflation factor computed pursuant to subdivision (b) of Section 42238.1 for the 1998–99 fiscal year.

(2) For the 1999–2000 fiscal year and each fiscal year thereafter, multiply the sum of the statewide target amount per unit of average daily attendance for special education local plan areas for the prior fiscal year computed pursuant to Section 56836.11 and the amount determined pursuant to paragraph (3) of subdivision (d) of Section 56836.155 for the prior fiscal year by the inflation factor computed pursuant to subdivision (b) of Section 42238.1 for the fiscal year in which the computation is made.

(3) For the purposes of computing the inflation adjustment for the special education local plan area identified as the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area for the 1998–99 fiscal year and each fiscal year thereafter, the superintendent shall multiply the amount of funding per unit of average daily attendance computed for that special education local plan area for the prior fiscal year pursuant to Section 56836.10 by the inflation factor computed pursuant to subdivision (b) of Section 42238.1 for the fiscal year in which the computation is being made.

(e) For the 1998–99 fiscal year and each fiscal year thereafter to and including the 2002–03 fiscal year, the superintendent shall perform the calculation set forth in Section 56836.155 to determine the adjusted entitlement for the incidence of disabilities for each special education local plan area, but this amount shall not be used in the next fiscal year to determine the base amount of funding for each special education local plan area for the current fiscal year, except as specified in this article.

SEC. 14. Section 56836.09 of the Education Code, as amended by Chapter 89 of the Statutes of 1998, is amended to read:

56836.09. For the purpose of computing the amount to apportion to each special education local plan area for the 1998–99 fiscal year, the superintendent shall compute the total amount of funding received by the special education local plan area for the 1997–98 fiscal year as follows:

(a) Add the following amounts that were received for the 1997–98 fiscal year:

(1) The total amount of federal funds apportioned to the special education local plan area pursuant to subdivisions (b) and (h) of the Schedule in Item 6110-161-0890 of Section 2.00 of the Budget Act of 1997 for the purposes of special education for individuals with exceptional needs enrolled in kindergarten and grades 1 to 12, inclusive.

(2) The total amount of property taxes allocated to the special education local plan area pursuant to Section 2572, excluding any property taxes used to fund a program for individuals with exceptional needs younger than three years of age in the special education local plan area for the 1997–98 fiscal year.

(3) The total amount of General Fund moneys allocated to the special education local plan area pursuant to Chapter 7 (commencing with Section 56700) plus the total amount received for equalization pursuant to Chapter 7.1 (commencing with Section 56835), as those chapters existed on December 31, 1998.

(4) The total amount of General Fund moneys allocated to another special education local plan area for any pupils with exceptional needs who are served by the other special education local plan area but who are residents of the special education local plan area for which this computation is being made.

(b) Add the following amounts received in the 1997–98 fiscal year:

(1) The total amount determined for the special education local plan area for the purpose of providing nonpublic, nonsectarian school services to licensed children’s institutions, foster family homes, residential medical facilities, and other similar facilities for the 1997–98 fiscal year pursuant to Article 3 (commencing with Section 56836.16).

(2) The total amount of General Fund moneys allocated for any pupils with exceptional needs who are served by the special education local plan area but who do not reside within the boundaries of the special education local plan area.

(3) The total amount of General Fund moneys allocated to the special education local plan area to perform the regionalized operations and services functions listed in Article 6 (commencing with Section 56836.23) and to provide the direct instructional support of program specialists in accordance with Section 56368.

(4) The total amount of General Fund moneys allocated to the special education local plan area for individuals with exceptional needs younger than three years of age pursuant to Chapter 7 (commencing with Section 56700), as that chapter existed on December 31, 1998.

(5) The total amount of General Fund moneys allocated to local educational agencies within the special education local plan area pursuant to Section 56771, as that section existed on December 31, 1998, for specialized books, materials, and equipment for pupils with low-incidence disabilities.

(c) Subtract the sum computed in subdivision (b) from the sum computed in subdivision (a).

SEC. 15. Section 56836.15 of the Education Code, as amended by Chapter 89 of the Statutes of 1998, is amended to read:

56836.15. (a) In order to mitigate the effects of any declining enrollment, commencing in the 1998–99 fiscal year, and each fiscal year thereafter, the superintendent shall calculate allocations to special education local plan areas based on the average daily attendance reported for the special education local plan area for the fiscal year in which the computation is made or the prior fiscal year, whichever is greater. However, the prior fiscal year average daily attendance reported for the special education local plan area shall be adjusted for any loss or gain of average daily attendance reported for the special education local plan area due to a reorganization or transfer of territory in the special education local plan area.

(b) If in the fiscal year for which the computation is made, the number of units of average daily attendance upon which allocations to the special education local plan area are based is greater than the number of units of average daily attendance upon which allocations to the special education local plan area were based in the prior fiscal year, the special education local plan area shall be allocated a growth adjustment equal to the product determined by multiplying the amounts determined under paragraphs (1) and (2).

(1) The statewide target amount per unit of average daily attendance for special education local plan areas determined pursuant to Section 56836.11 added to the amount determined in paragraph (3) of subdivision (d) of Section 56836.155.

(2) The difference between the number of units of average daily attendance upon which allocations to the special education local plan area are based for the fiscal year in which the computation is made and the number of units of average daily attendance upon which allocations to the special education local plan area were based for the prior fiscal year.

(c) If in the fiscal year for which the computation is made, the number of units of average daily attendance upon which allocations to the special education local plan area are based is less than the number of units of average daily attendance upon which allocations

to the special education local plan area were based in the prior fiscal year, the special education local plan area shall receive a funding reduction equal to the product determined by multiplying the amounts determined under paragraphs (1) and (2):

(1) The amount of funding per unit of average daily attendance computed for the special education local plan area for the prior fiscal year.

(2) The difference between the number of units of average daily attendance upon which allocations to the special education local plan area are based for the fiscal year in which the computation is made and the number of units of average daily attendance upon which allocations to the special education local plan area were based for the prior fiscal year.

(d) If, in the fiscal year for which the computation is made, the number of units of average daily attendance upon which the allocations to the special education local plan area identified as the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area are based is greater than the number of units of average daily attendance upon which the allocations to that special education local plan area were based in the prior fiscal year, that special education local plan area shall be allocated a growth adjustment equal to the product determined by multiplying the amounts determined under paragraphs (1) and (2).

(1) The amount of funding per unit of average daily attendance computed for the special education local plan area for the prior fiscal year pursuant to Section 56836.10 multiplied by one plus the inflation adjustment factor computed pursuant to subdivision (b) of Section 42238.1 for the fiscal year in which the computation is being made.

(2) The difference between the number of units of average daily attendance upon which allocations to the special education local plan area are based for the fiscal year in which the computation is made and the number of units of average daily attendance upon which allocations to the special education local plan area were based for the prior fiscal year.

SEC. 16. Section 56836.155 of the Education Code, as amended by Chapter 89 of the Statutes of 1998, is repealed.

SEC. 17. Section 56836.155 is added to the Education Code, to read:

56836.155. (a) On or before November 2, 1998, the department, in conjunction with the Office of the Legislative Analyst, shall do the following:

(1) Calculate an “incidence multiplier” for each special education local plan area using the definition, methodology, and data provided in the final report submitted by the American Institutes for Research pursuant to Section 67 of Chapter 854 of the Statutes of 1997.

(2) Submit the incidence multiplier for each special education local plan area and supporting data to the Department of Finance.

(b) The Department of Finance shall review the incidence multiplier for each special education local plan area and the supporting data, and report any errors to the department and the Office of the Legislative Analyst for correction.

(c) The Department of Finance shall approve the final incidence multiplier for each special education local plan area by November 23, 1998.

(d) For the 1998–99 fiscal year and each fiscal year thereafter to and including the 2002–03 fiscal year, the superintendent shall perform the following calculation to determine each special education local plan area's adjusted entitlement for the incidence of disabilities:

(1) The incidence multiplier for the special education local plan area shall be multiplied by the statewide target amount per unit of average daily attendance for special education local plan areas determined pursuant to Section 56836.11 for the fiscal year in which the computation is made.

(2) The amount determined pursuant to paragraph (1) shall be added to the statewide target amount per unit of average daily attendance for special education local plan area determined pursuant to Section 56836.11 for the fiscal year in which the computation is made.

(3) Subtract the amount of funding for the special education local plan area determined pursuant to paragraph (1) of subdivision (a) or paragraph (1) of subdivision (b) of Section 56836.08, as appropriate for the fiscal year in which the computation is made, or the statewide target amount per unit of average daily attendance for special education local plan areas determined pursuant to Section 56836.11 for the fiscal year in which the computation is made, whichever is greater, from the amount determined pursuant to paragraph (2). If the result is less than zero, then the special education local plan area shall not receive an adjusted entitlement for the incidence of disabilities.

(4) Multiply the amount determined in paragraph (3) by either the average daily attendance reported for the special education local plan area for the fiscal year in which the computation is made, as adjusted pursuant to subdivision (a) of Section 56836.15, or the average daily attendance reported for the special education local plan area for the prior fiscal year, as adjusted pursuant to subdivision (a) of Section 56826.15, whichever is less.

(5) If there are insufficient funds appropriated in the fiscal year for which the computation is made for the purposes of this section, the amount received by each special education local plan area shall be prorated.

(e) For the 1997–98 fiscal year, the superintendent shall perform the calculation in paragraphs (1) to (3), inclusive, of paragraph (d) only for the purposes of making the computation in paragraph (1) of subdivision (d) of Section 56836.08, but the special education local plan area shall not receive an adjusted entitlement for the incidence of disabilities pursuant to this section for the 1997–98 fiscal year.

(f) On or before March 1, 2003, the Office of the Legislative Analyst, in conjunction with the Department of Finance and the department, shall submit to the Legislature a new study of the incidence multiplier, with recommendations as to the necessity of continuing to adjust the funding formula contained in this chapter for the purposes of this section to the extent that funding is provided for this purpose. The Office of the Legislative Analyst may contract for this study. It is the intent of the Legislature to provide funding for this study in the Budget Act of 2002.

SEC. 18. Section 60604 of the Education Code is amended to read:

60604. (a) The Superintendent of Public Instruction shall design and implement, consistent with the timetable and plan required pursuant to subdivision (b), a statewide pupil assessment program consistent with the testing requirements of this article in accordance with the objectives set forth in Section 60602. That program shall include all of the following:

(1) A plan for producing valid, reliable, and comparable individual pupil scores in grades 2 to 11, inclusive, and a comprehensive analysis of these scores based on the results of the achievement test designated by the State Board of Education that assesses a broad range of basic academic skills pursuant to the Standardized Testing and Reporting (STAR) Program established by Article 4 (commencing with Section 60640) and the assessment established pursuant to subdivision (c) of Section 60605.

(2) A method of working with publishers to ensure valid, reliable, and comparable individual, grade-level, school-level, district-level, county-level, and statewide scores in grades 2 to 11, inclusive, that is based on the achievement test designated pursuant to subdivision (b) of Section 60605 and that, in the grade levels and subject areas specified in subdivision (c) of Section 60605, ensures valid, reliable and comparable school-level, district-level, county-level, and statewide scores in the assessments administered pursuant to subdivision (c) of Section 60605.

(3) Statewide academically rigorous content and performance standards that reflect the knowledge and skills that pupils will need in order to succeed in the information-based, global economy of the 21st century. These skills shall not include personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem.

(4) A statewide system that provides the results of testing in a manner that reflects the degree to which pupils are achieving the

academically rigorous content and performance standards adopted by the State Board of Education.

(5) The alignment of assessment with the statewide academically rigorous content and performance standards adopted by the State Board of Education.

(6) The active, ongoing involvement of parents, classroom teachers, administrators, other educators, governing board members of school districts, and the public in all phases of the design and implementation of the statewide pupil assessment program and the development of assessment instruments pursuant to the requirements of subdivision (c) of Section 60605.

(7) The development of a contract or contracts with a publisher or publishers, after the approval of statewide academically rigorous content standards by the State Board of Education, for the development of performance standards and assessments of applied academic skills designed to test pupils' knowledge of academic skills and abilities to apply that knowledge and those skills in order to solve problems and communicate. The assessments of applied academic skills shall be limited to the grade levels and subject areas specified in subdivision (c) of Section 60605.

(b) The superintendent shall develop and annually update for the Legislature a five-year cost projection, implementation plan, and timetable for implementing the program described in subdivision (a). The annual update shall be submitted on or before March 1 of each year to the chairperson of the fiscal subcommittee considering budget appropriations in each house. The update shall explain any significant variations from the five-year cost projection for the current year budget and the proposed budget.

(c) The Superintendent of Public Instruction shall provide each school district with guidelines for professional development that are designed to assist classroom teachers to use the results of the assessments administered pursuant to this chapter to modify instruction for the purpose of improving pupil learning. These guidelines shall be developed in consultation with classroom teachers and approved by the State Board of Education before dissemination.

(d) The Superintendent of Public Instruction shall make available prototype and sample versions of the statewide pupil assessment test pursuant to subdivision (c) of Section 60605 to each school district and to the public prior to administration of the tests. The superintendent and the State Board of Education shall consider comments and recommendations from school districts and the public in the development, adoption, and approval of subsequent assessment instruments.

(e) The results of the achievement test administered pursuant to Article 4 (commencing with Section 60640) shall be returned to the school district in the same academic year in which the test was

administered and no later than June 30 of the calendar year in which the test was administered.

SEC. 19. Section 60605 of the Education Code is amended to read:

60605. (a) (1) (A) No later than January 1, 1998, the State Board of Education shall adopt statewide academically rigorous content standards, pursuant to the recommendations of the Commission for the Establishment of Academic Content and Performance Standards, in the core curriculum areas of reading, writing, and mathematics to serve as the basis for assessing the academic achievement of individual pupils and of schools, school districts, and the California education system. No later than November 1, 1998, the State Board of Education shall adopt these standards in the core curriculum areas of history/social science and science. The performance standards and the assessments described in subdivision (c) may be developed concurrently, and shall be based on the content standards adopted by the board pursuant to this section.

(B) No later than July 15, 1999, the board shall adopt statewide performance standards in the core curriculum areas of reading, writing, and mathematics based on the recommendations made by a contractor or contractors. No later than December 31, 1999, the board shall complete the adoption of the portion of pupil assessments described in subdivision (c) in the core curriculum areas of reading, writing, and mathematics. No later than March 31, 2000, the board shall adopt statewide performance standards in the core curriculum areas of history/social science and science based on the recommendations made by a contractor or contractors. No later than December 31, 2000, the board shall complete the adoption of that portion of pupil assessments described in subdivision (c) in the core curriculum areas of history/social science and science.

(C) In specifying timeframes for deliverables in the request for proposal developed pursuant to subdivision (i), the State Board of Education shall require the contractor or contractors to submit performance standards to the board not later than a specified date that allows sufficient opportunity for the board to conduct regional hearings prior to the adoption of the performance standards by the dates specified in subparagraph (B).

(2) (A) The State Board of Education may modify any proposed content standards or performance standards prior to adoption and may adopt content and performance standards in individual core curriculum areas as those standards are submitted to the board by the commission or the contractor. The performance standards shall be established against specific grade level benchmarks of academic achievement for each subject area tested and shall be based on the knowledge and skills that pupils will need in order to succeed in the information-based, global economy of the 21st century. These skills shall not include personal behavioral standards or skills, including,

but not limited to, honesty, sociability, ethics, or self-esteem. The standards adopted pursuant to this section shall be for the purpose of guiding state decisions regarding the development, adoption, and approval of assessment instruments pursuant to this chapter and shall not be construed to mandate any actions or activities by school districts.

(B) Because these standards are models, the adoption of these standards is not subject to the Administrative Procedure Act. This subparagraph is declaratory of existing law.

(3) Prior to the adoption of academic content and performance standards, the board shall hold regional hearings for the purpose of giving parents and other members of the public the opportunity to comment on the proposed standards.

(b) (1) The State Board of Education shall require the State Department of Education to notify publishers of the opportunity to submit, for consideration by the State Board of Education pursuant to Section 60642, tests of achievement that include all of the basic academic skills identified in subdivision (c) of Section 60603 in grades 2 to 8, inclusive, and the core curriculum areas identified in subdivision (e) of Section 60603 in grades 9 to 11, inclusive.

(2) On or before October 31, 1997, the Superintendent of Public Instruction shall recommend to the State Board of Education which achievement test to adopt pursuant to subdivision (b) of Section 60642.

(c) (1) The State Board of Education shall adopt an assessment instrument that meets the objectives of Section 60602 and that yields valid, reliable estimates of school performance, school district performance, and statewide performance of pupils that, in grades 4, 5, 8, and 10, assess basic academic skills and incorporate the use of direct writing assessment and other assessments of applied academic skills.

(2) The State Board of Education shall annually require that each school district administer the statewide assessment pursuant to this subdivision to all pupils in grades 4, 5, 8, and 10. The core curriculum areas shall be addressed by that assessment. Notwithstanding any other provision of law, the assessment provided for under this subdivision shall address, in grade 4, only reading, written expression, and mathematics, and, in grade 5, only history/social science and science. Pupils in a given school shall be administered a portion of all subjects of the assessment that will be representative of all the assessment objectives, goals, and categories of items on the entire assessment in a manner that will produce results that are valid and reliable at the school and school district level. The State Department of Education may provide assistance to school districts in the implementation of the assessment established pursuant to this subdivision.



(3) Nothing in this subdivision shall be construed to prevent the State Board of Education from developing or adopting an assessment instrument that also contains assessments of basic academic skills.

(d) The State Board of Education shall adopt assessments pursuant to subdivision (c) that are aligned with the statewide content and performance standards adopted pursuant to subdivision (a). The State Board of Education shall not adopt an assessment pursuant to subdivision (c) for any core curriculum area until the statewide content standards for that core curriculum area have been adopted by the board pursuant to subdivision (a). The State Board of Education shall not award contracts for the development of performance standards and assessments pursuant to subdivision (c) for any core curriculum area until after adoption of statewide content standards for that core curriculum area.

(e) After the adoption of the statewide content standards, the State Board of Education shall review the achievement test designated pursuant to Section 60642 for conformance with these statewide standards.

(f) After the adoption of the statewide content and performance standards, the State Board of Education shall review the existing curriculum frameworks for conformity with the new statewide standards and shall modify the curriculum frameworks where appropriate to bring them into alignment with the standards.

(g) The State Board of Education shall adopt regulations for the conduct and administration of the testing and assessment program.

(h) The State Board of Education shall adopt a regulation for minimum security procedures that test and assessment publishers and school districts must follow to ensure the security and integrity of test and assessment questions and materials.

(i) Following consideration of recommendations of the Superintendent of Public Instruction, the State Board of Education shall award a contract or contracts to develop performance standards pursuant to subdivision (a) and instruments to be used for the purposes of subdivision (c), according to competitive bidding procedures.

(1) As part of this process, the board may convene an advisory panel composed of nationally recognized experts in pupil assessment. Two members of the panel shall be selected from a list of at least 10 nominees of the Superintendent of Public Instruction. This panel, if convened, shall assist the board in the preparation of the request or requests for proposals to develop performance standards and instruments for use as assessments of applied academic skills and in the review and rating of proposals that are submitted. The panel shall also assist the board in determining methods of ensuring that the achievement test designated pursuant to Section 60642 meets the requirements of Section 60644. The State Department of Education



shall provide any necessary staff support for the work of the advisory committee.

(2) Any contractor to whom a contract is awarded pursuant to this subdivision shall assure that parents, classroom teachers, administrators, school district governing board members, and the general public are actively involved in the development of any assessment instruments.

(3) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, appropriations made for the payment of contracts awarded pursuant to this subdivision shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202, for the applicable fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for that fiscal year.

(j) (1) Not less than 60 days before adoption of the statewide pupil assessment pursuant to subdivision (c), the State Board of Education shall make the proposed assessment available for inspection by the public. The board shall adopt any proposed amendments or modifications to the assessment before this public inspection period so that the materials available for inspection are the same materials that the board shall consider for final adoption. This provision applies to subsequent amendments or modifications of the examination in addition to the initial adoption. The proposed assessment shall be available for inspection by the public for a reasonable period of time.

(2) The assessment adopted pursuant to subdivision (c) shall be available for inspection at each county superintendent of schools' office and within each school district at a centrally located site selected by the governing board of each school district. The governing board may also make the assessment available for public inspection at other locations within the school district. No assessment may be copied or taken from the inspection site.

SEC. 20. Section 60640 of the Education Code is amended to read:

60640. (a) There is hereby established the Standardized Testing and Reporting Program, to be known as the STAR Program.

(b) Commencing in the 1997–98 fiscal year and each fiscal year thereafter, and from the funds available for that purpose, each school district, charter school, and county office of education shall administer to each of its pupils in grades 2 to 11, inclusive, before May 15, the achievement test designated by the State Board of Education pursuant to Section 60642.

(c) The publisher and the school district shall provide two makeup days for the testing of previously absent pupils no later than May 25.

(d) The governing board of the school district may administer achievement tests in kindergarten, and grade 1 or 12, or both, as it deems appropriate.

(e) Individuals with exceptional needs who have an explicit provision in their individualized education program that exempts them from the testing requirement of subdivision (b) shall be so exempt.

(f) At the school district's option, pupils of limited English proficiency who are enrolled in any of grades 2 to 11, inclusive, may take a second achievement test in their primary language. Primary language tests administered pursuant to this subdivision and subdivision (g) shall be subject to the requirements of subdivisions (b), (c), (d), and (e) of Section 60641. These primary language tests shall produce individual pupil scores that are valid and reliable. Notwithstanding any other provision of law, the State Board of Education shall designate for use, as part of this program, a single primary language test in each language for which such a test is available for grades 2 to 11, inclusive, no later than November 14, 1998, pursuant to the process used for designation of the assessment chosen in the 1997–98 fiscal year, as specified in Section 60642 and 60643, as applicable.

(g) In addition to the test required by subdivision (b), pupils of limited English proficiency who are enrolled in any of grades 2 to 11, inclusive, shall be required to take a test in their primary language if such a test is available, if less than 12 months have elapsed after their initial enrollment in any public school in the state.

(h) The Superintendent of Public Instruction shall apportion funds to enable school districts to meet the requirements of subdivisions (b), (f), and (g). The State Board of Education shall establish the amount of funding to be apportioned. The amount to be apportioned shall be up to eight dollars (\$8) per test administered to a pupil in grades 2 to 11, inclusive.

(i) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation for the apportionments made pursuant to subdivision (g) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the applicable fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for that fiscal year.

(j) As a condition to receiving an apportionment pursuant to subdivision (h), a school district shall report to the superintendent all of the following:

(1) The number of pupils enrolled in the school district in grades 2 to 11, inclusive.

(2) The number of pupils to whom an achievement test was administered in grades 2 to 11, inclusive, in the school district.

(3) The number of pupils in paragraph (1) who were exempted from the test pursuant to subdivision (e) of Section 60640.

(4) The number of pupils in paragraph (1) who were exempted from the test at the request of their parents or guardians.

SEC. 21. Section 60643 of the Education Code is amended to read:

60643. (a) To be eligible for consideration under Section 60642 by the State Board of Education, test publishers shall agree in writing each year to meet the following requirements, if selected:

(1) Post a performance bond in an amount to be determined by the State Board of Education.

(2) Enter into a standard agreement with all school districts in the state that includes a payment schedule and conditions prescribed by the State Board of Education.

(3) Align the achievement test to the academically rigorous content and performance standards adopted by the State Board of Education.

(4) Comply with subdivisions (c) and (d) of Section 60645.

(5) Provide individual pupil scores to parents or guardians, teachers, and school administrators.

(6) Provide aggregate scores to teachers, administrators, governing boards of school districts, county boards of education, and the State Department of Education in all of the following forms and formats:

(A) Grade level.

(B) School level.

(C) District level.

(D) Countywide.

(E) Statewide.

(F) Comparison of statewide scores relative to other states.

(7) Provide disaggregated scores, based on limited-English-proficient status, to teachers, administrators, governing boards of school districts, county boards of education, and the State Department of Education in the same form and formats listed in paragraph (6).

(8) Provide all information listed in paragraph (6) and in paragraph (7) to the State Board of Education and to the recipients listed in paragraph (6), in hard copy and in an electronic medium compatible for access through the Internet.

(b) Notwithstanding any other provision of law, the publisher of the achievement test designated pursuant to Section 60642 shall comply with all of the conditions and requirements enumerated in subdivision (a) to the satisfaction of the State Board of Education.

(c) (1) The State Department of Education is hereby authorized to develop a standard agreement, subject to the approval of the State Board of Education, that all school districts and the test publisher

shall be required to use. The agreement shall contain provisions for withholding full or partial payments for individual components of test administration, including, but not limited to, test development, publication, administration, scoring, test security, data aggregation, analysis, reporting, or electronic transmission. The standard agreement shall specify the exact reports and data files that are to be provided to the district by the publisher, and the number of copies of each report or file to be provided. The State Department of Education shall also specify in the standard agreement that all reports and files must be certified by the district as complete and accurate before final payment to the publisher from the district. The State Department of Education shall specify in the standard agreement that final payments or portions thereof by school districts or any agent of the State of California shall be withheld until the Superintendent of Public Instruction notifies all school districts that the test administration is completed for the academic year and the State Board of Education has made a determination pursuant to paragraph (2) or (3).

(2) If satisfied that the publisher has met the requirements of subdivision (a), and that the State Department of Education and the State Board of Education have received complete statewide data, to the satisfaction of the board, reported in the manner prescribed by this section, the State Board of Education shall determine that all school districts may make final payments to the publisher.

(3) If the State Board of Education is not satisfied that the publisher has met all of the requirements of subdivision (a) or any of the individual components of test administration, the board may authorize partial payment. The State Board of Education may adopt regulations establishing a process for partial payments to the test publisher by school districts.

(d) The State Board of Education shall consider the performance of publishers no later than July 31 following the test administration for purposes of making appropriate determinations pursuant to the standard agreement authorized pursuant to this section.

SEC. 22. Section 60644 of the Education Code is amended to read:

60644. In designating an achievement test pursuant to Section 60642, the State Board of Education shall adopt only a nationally normed test and shall consider each of the following criteria:

(a) Ability of the publisher to produce valid, reliable individual pupil scores.

(b) Quality and age of empirical data supporting national norm referenced data analysis of the proposed assessment.

(c) Ability to report results pursuant to the provisions of paragraphs (5) to (8), inclusive, of subdivision (a) of Section 60643 by June 30.

(d) Ability to report results that permit comparability between data from school districts' previous administration of standardized achievement tests, if feasible.

(e) Ability to provide results comparable with data from the 1998 benchmark year and administrations in subsequent years with the grade level competencies established pursuant to the academically rigorous content and performance standards adopted by the State Board of Education pursuant to Section 60605.

(f) (1) Ability to align the achievement test with academically rigorous content and performance standards as those standards are adopted by the State Board of Education. It is the intent of the Legislature that, to the extent feasible, the nationally-normed test shall be augmented with items that assess the specific grade-level content standards adopted by the State Board of Education pursuant to subdivision (a) of Section 60605.

(2) Until the State Board of Education adopts academically rigorous content standards, the test shall be consistent with Section 60200.4, reasonably aligned with the state curriculum frameworks, and substantively aligned with the program advisories jointly adopted by the Superintendent of Public Instruction, the State Board of Education, and the Commission on Teacher Credentialing in 1996.

(g) The circumstances, if any, under which a publisher forfeited a performance bond.

(h) Per-pupil cost estimates of administering the proposed assessment.

(i) The publisher's procedure for ensuring the security and integrity of test questions and materials.

(j) Experience in the successful conduct of testing programs adopted and administered by other states. For experience to be considered, the number of grades and pupils tested shall be provided.

SEC. 23. Section 60800 of the Education Code is amended to read:

60800. (a) During the month of March, April, or May, the governing board of each school district maintaining any of grades 5, 7, and 9 shall administer to each pupil in those grades the physical performance test designated by the State Board of Education. Each physically handicapped pupil, and each pupil who is physically unable to take all of the physical performance test, shall be given as much of the test as his or her condition will permit.

(b) Upon request of the State Department of Education, a school district shall submit to the department, at least once every two years, the results of its physical performance testing.

(c) The State Department of Education shall compile the results of the annual physical performance test, and, on or before December 31 of each year, submit a report to the Legislature and the Governor that compares the performance of California's pupils to national norms.

SEC. 24. Section 69612 of the Education Code is amended to read:

69612. (a) (1) The Legislature hereby recognizes that there is a growing shortage of high quality classroom teachers, and that there is a need for qualified teachers from throughout California. The teacher shortage is most serious in particular subject areas, partly due to the shortage of students in these fields who enter the teaching profession. The Legislature also recognizes that many school districts have difficulty recruiting and retaining high quality teachers for pupils with special needs and for schools serving large populations of students from low-income and linguistic minority families.

(2) The Legislature finds that the rising costs of higher education, coupled with a shift in available financial aid from scholarships and grants to loans, make loan repayment options an important consideration in a student's decision to pursue a postsecondary education. The availability of financial aid and loan repayment assistance are important considerations for many students, especially economically disadvantaged students, in making their educational decisions.

(b) It is the intent of the Legislature that the Assumption Program of Loans for Education be designed to encourage persons to enter into the teaching profession in designated subject matter shortage areas and in schools serving large populations of students from low-income families. It is further the intent of the Legislature in enacting this article to do all of the following:

(1) Provide outstanding postsecondary students, particularly economically disadvantaged students, with the assurance of financial assistance to encourage them to complete postsecondary education programs leading to teaching credentials, and to seek employment as teachers.

(2) Provide persons who agree to become teacher trainees or teacher interns in a subject matter shortage area with the assurance of financial assistance to encourage them to complete the additional coursework necessary to obtain a teaching credential.

(3) Identify subject matter areas in which there are shortages of teachers and provide incentives for persons to obtain teaching credentials and seek teaching positions in those areas.

(4) Identify schools serving large populations of students from low-income families and provide incentives for persons to obtain teaching credentials and seek teaching positions in those schools.

SEC. 25. Section 69613 of the Education Code is amended to read:

69613. (a) Any person enrolled in an institution of postsecondary education participating in the loan assumption program set forth in this article, or any person who agrees to participate in a teacher trainee or teacher internship program, may be eligible to receive a conditional warrant for loan assumption, to be redeemed pursuant to Section 69613.2 upon becoming employed as a teacher. In order to be eligible to receive a loan assumption warrant, an applicant shall satisfy all of the conditions specified in either subdivision (b) or (c).

(b) (1) The applicant has completed at least 60 semester units, or the equivalent, and is enrolled in an academic program leading to a baccalaureate degree at a participating institution, or has been admitted to a program of professional preparation that has been approved by the Commission on Teacher Credentialing.

(2) The applicant is currently enrolled in, or has been admitted to a program in which he or she will be enrolled in, at least 10 semester units, or the equivalent. The applicant shall agree to maintain not less than 10 semester units per semester, or the equivalent, and to maintain satisfactory academic progress.

(3) The applicant has been judged by his or her postsecondary institution to have outstanding ability on the basis of criteria that may include, but need not be limited to, any of the following:

(A) Grade point average.

(B) Test scores.

(C) Faculty evaluations.

(D) Interviews.

(E) Other recommendations.

(4) In order to meet the costs associated with obtaining a baccalaureate degree, or a California teaching credential, the applicant has received, or is approved to receive, a loan under one or more of the following designated loan programs:

(A) The Federal Family Education Loan Program (20 U.S.C. Sec. 1071 et seq.).

(B) Any loan program approved by the Student Aid Commission.

(5) The applicant has agreed to teach in a public school in this state for at least four consecutive academic years after obtaining a teaching credential.

(c) (1) The applicant holds a baccalaureate degree and agrees to participate in a teacher trainee program or teacher internship program, or is a person who will continue to be employed full time in a field other than teaching while completing the necessary coursework for a teaching credential, or is a noncredentialed teaching paraprofessional, as described in Section 44323, who will continue to serve as a teaching paraprofessional while completing the necessary coursework for a California teaching credential.

(2) (A) The applicant is enrolled in, or has been admitted to, a participating institution and agrees to maintain satisfactory academic progress in an academic program leading to a baccalaureate degree or in a program of professional preparation that has been approved by the Commission on Teacher Credentialing, and the applicant satisfies the conditions specified in paragraphs (3), (4), and (5) of subdivision (b).

(B) No applicant who has completed fewer than 60 units, or the equivalent, shall be eligible under this subdivision to participate in the loan assumption program set forth in this article.

(d) Sixty percent of the warrants distributed each year pursuant to subdivisions (b) and (c) at each participating institution shall be awarded by that institution to applicants who agree to obtain a teaching credential in subject areas that are designated as current or projected shortage areas by the Superintendent of Public Instruction. The warrant shall remain valid even if the subject area ceases to be a designated shortage field by the time the applicant becomes a teacher.

(e) The remaining 40 percent of the warrants distributed each year pursuant to subdivisions (b) and (c) at each participating institution shall be awarded to applicants who agree to obtain teaching credentials in any subject area and to provide classroom instruction in schools that serve large populations of students from low-income families, as designated by the superintendent for purposes of the Perkins Loan Program or otherwise. The warrant shall remain valid even if the school ceases to be so designated during the applicant's second, third, or fourth year of teaching.

(f) A person participating in the program pursuant to this section shall not receive more than one warrant.

(g) The Student Aid Commission shall adopt rules and regulations regarding the reallocation of warrants where a participating institution is unable to utilize its allocated warrants or is unable to distribute them proportionately to subdivisions (d) and (e) within a reasonable period of time.

SEC. 26. Section 69613.4 of the Education Code is amended to read:

69613.4. The terms of the loan assumptions granted under this article shall be as follows, subject to the specific terms of each warrant:

(a) After a program participant has completed one school year of classroom instruction pursuant to Section 69613.2, the Student Aid Commission shall assume up to two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs.

(b) After a program participant has completed two consecutive school years of instruction, the commission shall assume up to an additional three thousand dollars (\$3,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to five thousand dollars (\$5,000).

(c) After a program participant has completed three consecutive school years of teaching service, the commission shall assume up to a maximum of an additional three thousand dollars (\$3,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to eight thousand dollars (\$8,000).



(d) After a program participant has completed four consecutive school years of teaching service, the commission shall assume up to a maximum of an additional three thousand dollars (\$3,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to eleven thousand dollars (\$11,000). This provision applies to any person who has received a warrant but has not yet completed the third year of the teaching obligation prior to the effective date of this act.

(e) For purposes of this section, "school year" means at least 175 school days or its equivalent.

SEC. 27. Section 69613.5 is added to the Education Code, to read:

69613.5. (a) Notwithstanding Sections 69612.5 and 69614, for the purposes of the recruitment of teachers from outside California, the commission shall annually distribute 500 warrants to school districts to be awarded to out-of-state teachers who fulfill the terms of Section 69613.4. A teacher who receives a warrant pursuant to this subdivision shall hold a valid teaching credential, in the subject area of the California teaching position, from the state in which he or she resides.

(b) The commission shall adopt rules and regulations regarding the allocation of warrants to school districts pursuant to this section.

SEC. 28. Section 69613.55 is added to the Education Code, to read:

69613.55. Within the number of warrants distributed pursuant to paragraph (d) of Section 69613, the commission shall annually distribute a minimum of 2,000 awards to applicants who agree to obtain a teaching credential in mathematics or science. The commission shall adopt rules and regulations regarding the reallocation of these warrants if a participating institution is unable to utilize the warrants within a reasonable period of time.

SEC. 29. Section 69613.6 of the Education Code is amended to read:

69613.6. (a) Except as provided in subdivision (b), in the event that a program participant fails to complete a minimum of four consecutive school years of classroom instruction as required by this article, under the terms of the agreement pursuant to paragraph (5) of subdivision (a) of Section 69613, the participant shall assume full liability for all student loan obligations remaining after the commission's assumption of loan liability for the last year of qualifying teaching service pursuant to Section 69613.

(b) Notwithstanding subdivision (a), in the event that a program participant becomes unable to complete one of the four consecutive years of teaching service due to serious illness, pregnancy, or other natural causes, the participant shall receive a deferral of the resumption of full liability for the loan for a period not to exceed one calendar year.

SEC. 30. Section 69614 of the Education Code is amended to read:

69614. (a) The Student Aid Commission shall distribute student applications to participate in the loan assumption program to postsecondary institutions eligible to participate in state and federal financial aid programs and having a program of professional preparation that has been approved by the Commission on Teacher Credentialing. Each eligible institution shall receive at least one application, and the remainder shall be distributed to eligible institutions proportionate to the number of teaching candidates from each institution who were fully credentialed during the previous year.

(b) Each participating institution shall sign an institutional agreement with the commission, certifying its intent to administer the loan assumption program according to all applicable published rules, regulations, and guidelines, and to make special efforts to notify students regarding the availability of the program, particularly economically disadvantaged students.

(c) To the extent feasible, each participating institution shall coordinate the loan assumption program with other existing programs designed to recruit or encourage students to enter the teaching profession. These programs may include, but need not be limited to, student internships in school districts, courses that provide early exploratory or field work experience in elementary or secondary schools, and work-study employment in elementary or secondary schools.

SEC. 31. Section 69615.6 of the Education Code is amended to read:

69615.6. Beginning no later than the 1986–87 school year, and each school year thereafter, the commission shall issue warrants for the assumption of up to 500 student loans for program participants eligible under this article. Beginning no later than the 1998–99 school year, and each school year thereafter, the commission shall issue warrants for the assumption of up to 4,500 student loans for program participants eligible under this article. The issuance of warrants shall be subject to funding to be provided in the Budget Act for each fiscal year.

SEC. 32. Article 5.5 (commencing with Section 69618) is added to Chapter 2 of Part 42 of the Education Code, to read:

Article 5.5. Graduate Assumption Program of Loans for
Education

69618. (a) The Legislature hereby recognizes the growing need for new faculty members at California's colleges and universities. This need will be fueled largely by two factors: (1) the large number of current faculty approaching retirement age who will need to be replaced; and (2) the expected growth in enrollment demand in California.



(b) The Legislature finds that the rising costs of higher education, coupled with a shift in available financial aid from scholarships and grants to loans, make loan repayment options an important consideration in student's decision to pursue a graduate education.

(c) It is the intent of the Legislature that the Graduate Assumption Program of Loans for Education be designed to encourage persons to complete their graduate educations and serve as faculty at an accredited California college or university.

(d) As used in this article, "commission" means the Student Aid Commission.

69618.1. (a) Program participants shall meet all of the following eligibility criteria prior to selection in the program and must continue to meet these criteria, as appropriate, during the payment periods:

(1) The participant shall be a United States citizen or eligible noncitizen.

(2) The participant shall be a California resident attending an eligible school or college in the state.

(3) The participant shall be making satisfactory academic progress.

(4) The participant shall have complied with United States Selective Service requirements.

(5) The participant shall not owe a refund on any state or federal educational grant or have delinquent or defaulted student loans.

(b) Any person enrolled in an institution of postsecondary education and participating in the loan assumption program set forth in this article may be eligible to receive a conditional warrant for loan assumption, to be redeemed pursuant to Section 69618.2 upon becoming employed as a full-time faculty member at a California college or university.

(c) (1) The commission shall award warrants to students with demonstrated academic ability and financial need, as determined by the commission pursuant to Article 1.5 (commencing with Section 69503).

(2) The applicant shall have completed a baccalaureate degree program or be enrolled in an academic program leading to a graduate level degree.

(3) The applicant shall be currently enrolled in or admitted to a program in which he or she will be enrolled in a full-time course of study each academic term as defined by an eligible institution. The applicant shall agree to maintain not less than 10 semester units per semester, or the equivalent, and to maintain satisfactory academic progress.

(4) The applicant shall have been judged by his or her postsecondary institution to have outstanding ability on the basis of criteria that may include, but need not be limited to, any of the following:



- (A) Grade point average.
- (B) Test scores.
- (C) Faculty evaluations.
- (D) Interviews.
- (E) Other recommendations.

(5) In order to meet the costs of obtaining a graduate degree, the applicant shall have received, or be approved to receive, a loan under one or more of the following designated loan programs:

(A) The Federal Family Education Loan Program (20 U.S.C. Sec. 1071 et seq.).

(B) Any loan program approved by the commission.

(6) The applicant shall have agreed to teach on a full-time basis at an accredited California college or university for at least three consecutive years after obtaining a graduate degree.

(d) A person participating in the program pursuant to this section shall not receive more than one warrant.

69618.2. The commission shall redeem an applicant's warrant and commence loan assumption payments as specified in Section 69618.3 upon verification that the applicant has fulfilled all of the following:

(a) The applicant has received a graduate degree from an accredited, participating California institution.

(b) The applicant has provided full-time instruction at a regionally accredited California college or university for one academic year or the equivalent.

(c) The applicant has met the requirements of the warrant and all other conditions of this article.

69618.3. The terms of the loan assumptions granted under this article shall be as follows, subject to the specific terms of each warrant:

(a) After a program participant has completed one academic year, or the equivalent of teaching, at a regionally accredited, eligible California college or university, the Student Aid Commission shall assume up to two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs. The initial year of eligible teaching must begin within 10 years of receiving an initial conditional warrant from the commission.

(b) After the program participant has completed two consecutive academic years, or the equivalent of teaching, at a regionally accredited California college or university, the commission shall assume up to an additional two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to four thousand dollars (\$4,000).

(c) After a program participant has completed three consecutive academic years, or the equivalent of teaching, at a regionally accredited California college or university, the commission shall assume up to an additional two thousand dollars (\$2,000) of the



participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to six thousand dollars (\$6,000).

69618.4. (a) Except as provided in subdivision (b), in the event that a program participant fails to complete a minimum of three consecutive academic years of teaching as required by this article, under the terms of the agreement pursuant to paragraph (6) of subdivision (c) of Section 69618.1, the participant shall assume full liability for all student loan obligations remaining after the commission's assumption of loan liability for the last academic year of qualifying instruction pursuant to Section 69618.3.

(b) Notwithstanding subdivision (a), in the event that a program participant becomes unable to complete one of the three consecutive years of teaching service due to a serious illness, pregnancy, or other natural causes, the participant shall receive a deferral of the resumption of full liability for the loan for a period not to exceed one academic year.

69618.5. (a) The commission shall accept nominations from accredited colleges and universities made pursuant to Section 69618.1.

(b) The commission shall choose from among those nominations deemed financially needy with outstanding student loans pursuant to Article 1.5 (commencing with Section 69503) based upon criteria that may include the following:

(1) Grades at the undergraduate level in the subject field in which the student intends to complete graduate work.

(2) Grades in the undergraduate program.

(3) Aptitude for graduate work in the subject fields.

(4) General aptitude for graduate study.

(5) Critical human resource needs.

(c) The commission may develop additional criteria for the selection of award recipients consistent with the purposes of this article.

69618.6. The commission shall administer this article, and shall adopt rules and regulations for that purpose. The rules and regulations shall include, but need not be limited to, provisions regarding the period of time for which a warrant shall remain valid and the development of projections for funding purposes. In developing these rules and regulations, the commission shall solicit the advice of representatives from postsecondary education institutions.

69618.7. The commission shall work in conjunction with lenders participating in the Federal Family Education Loan Program to develop a streamlined application process for participation in the program set forth in this article.



69618.8. The commission shall report annually to the Legislature on this program. The report shall include, but not be limited to, the following:

- (a) The total number of warrants awarded.
- (b) The number of warrants allocated by the education level of recipients.
- (c) The fields of study of applicants.
- (d) The number of warrants that are redeemed by the initial recipients.

69618.9. Commencing with the 1998–99 fiscal year, the commission shall issue warrants for the assumption of up to 500 student loans for program participants eligible under this article. The issuance of warrants shall be subject to funding to be provided in the annual Budget Act for each fiscal year.

69619. It is the intent of the Legislature that, commencing with the 1998–99 fiscal year, funding necessary for the administration of this student loan assumption program shall be included within the annual budget of the commission in an amount necessary to meet the student loan obligations incurred by the commission.

SEC. 33. Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of the Education Code is repealed.

SEC. 34. Section 84751.5 is added to the Education Code, to read:

84751.5. Notwithstanding any other provision of law or regulation, if local revenues, consisting of the proceeds of property taxes and student fees, for community colleges exceed the estimates included in the annual Budget Act for these revenue sources, an equivalent amount of general purpose funds appropriated for local assistance to the Board of Governors of the California Community Colleges in Schedule (a) of Item 6870-101-0001, or a successor item appropriating funds for local assistance to the board of governors, of Section 2.00 of that Budget Act shall only be allocated to community college districts for one-time purposes. These allocations shall be based on the statewide ratio of actual FTES served for the preceding fiscal year. This amount shall be reduced from the apportionment base of districts in subsequent years.

SEC. 35. Section 84754 is added to the Education Code, to read:

84754. (a) The Partnership for Excellence program is hereby established for the purpose of achieving annual performance goals and improving student learning and success. The Partnership for Excellence program is dependent on a mutual commitment by the State of California and the California Community Colleges to achieve statewide goals that reflect the highest priority for the social and economic success of the state. The state intends to provide funding for the Partnership for Excellence program as an investment to supplement funding for enrollment growth and cost-of-living adjustments to invest in program enhancements that will increase performance toward the community college's system outcome

measures. The California Community Colleges, as a result of the state's investment, shall commit to improving and achieving specific outcome measures established by the Board of Governors through the consultation process pursuant to Section 70901.

(b) (1) The Board of Governors shall develop, through the consultation process, specific goals and outcome measures to improve student success and assess district performance that will include, but not necessarily be limited to, the areas of transfer, degrees and certificates, successful course completion, work force development, and basic skills improvement. It is intended that the number of system goals not exceed 10. The goals shall be rigorous and challenging to the system, and exceed what could be expected to occur based on increases in funded enrollment. In developing the goals and outcome measures, the Chancellor of the California Community Colleges shall seek the concurrence of the Director of Finance, the Legislative Analyst, and the California Postsecondary Education Commission (CPEC).

(2) On or before December 1, 1998, the Chancellor of the California Community Colleges shall propose goals and measures for the approval of the Board of Governors of the California Community Colleges. The Department of Finance, Legislative Analyst, and CPEC each shall assess the extent to which the goals and measures under consideration by the board are clear, reasonable, and adequately meet the state's interest in accountability. The board shall consider the comments of these agencies before approving the goals and measures.

(c) (1) The Chancellor of the California Community Colleges shall allocate funding for the Partnership for Excellence, pursuant to appropriations in the annual Budget Act, to those districts electing to participate in the program in the 1998–99, 1999–2000, and 2000–01 fiscal years on a per FTES basis, subject to a district minimum allocation, and districts shall have broad flexibility in expending the funds for program enhancement that will improve student success and make progress toward the system goals. Those programs shall include, but are not necessarily limited to, programs that assist students through remediation, tutoring, and mentoring.

(2) Funds provided under this program to districts shall not be considered program improvement funds within the meaning of Sections 84755 and 87482.6, and shall only be spent to improve student learning and success as determined by the Board of Governors of the California Community Colleges which shall be subject to conditions as the board may determine.

(3) Funds for this program are subject to appropriation in the annual Budget Act.

(d) (1) The Board of Governors of the California Community Colleges also shall develop, through the consultation process pursuant to Section 70901, one or more contingent funding allocation

options, as well as criteria that would require the implementation of these options, that shall link allocation of Partnership for Excellence funds to individual districts to the achievement of and progress toward Partnership for Excellence goals by those individual districts. These contingent funding options may be determined necessary to either improve system performance or to reward significant or sustained achievement.

(2) In developing contingent funding allocation options and criteria for implementation thereof, the Chancellor of the California Community Colleges shall seek the concurrence of the Director of Finance, the Legislative Analyst, and CPEC. These agencies shall each assess the extent to which the contingent allocation options and criteria under consideration by the Board of Governors of the California Community Colleges are clear, reasonable, and adequately meet the state's interest in accountability. On or before April 15, 2000, the chancellor shall propose to the board one or more contingent funding allocation methods and criteria. The board shall consider the comments of the three agencies before approving the criteria and contingent funding allocation options.

(3) The Board of Governors of the California Community Colleges shall have the authority, and shall be accountable, to determine that a funding linkage is needed to adequately improve the performance of the system and its districts and colleges. The board is authorized to allocate all or a portion of Partnership for Excellence funds among districts pursuant to a contingent funding allocation method, as described in this section, commencing in the 2001-02 fiscal year or any fiscal year thereafter as determined necessary by the board. In executing its responsibilities set forth in this subdivision, the board shall engage the consultation process pursuant to Section 70901.

(e) (1) Districts shall report data under the Management Information System (MIS) for each of the outcome measures to the Chancellor of the California Community Colleges, who shall compile and analyze this data for a report to the Legislature, the Governor, CPEC, and other interested parties by April 15 of each year. The annual reports shall include data for each district and college with respect both to levels of achievement and relative progress towards the goals that recognizes differences in student populations and student preparedness. The chancellor may provide technical assistance to districts, as he or she best determines.

(2) Acceptance of funds from Partnership for Excellence allocations shall constitute concurrence by the district or college to collect and provide to the Chancellor of the California Community Colleges all information necessary to quantify baseline performance and annually report changes in outcome measures to the chancellor if, in the judgment of the chancellor, current MIS system data are insufficient for the purpose of any of the approved measures.

(3) Beginning with the report due on April 15, 2001, the Board of Governors of the California Community Colleges shall annually assess and report the extent to which achievement of system goals has been satisfactory or less than satisfactory. Based on this assessment and on the criteria adopted as part of the contingent funding allocation plan, the board shall determine, after engaging in the consultation process pursuant to Section 70901, whether or not to implement a contingent funding allocation option described in subdivision (d).

(4) On the basis of the reports specified in this subdivision and other pertinent information, the Legislative Analyst and CPEC shall also annually provide the Legislature their respective assessments of progress toward system goals, and shall recommend necessary changes to the program, including goals and outcome measures. The Legislative Analyst and the CPEC shall recommend ways of improving incentives for districts to contribute toward achievement of system goals.

(f) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 36. Chapter 10 (commencing with Section 92820) is added to Part 57 of the Education Code, to read:

CHAPTER 10. SUBSTANCE ABUSE RESEARCH

92820. There is hereby established in the Neurology Department at the University of California, San Francisco, a research project on substance abuse. The major goal of this research is to identify new pharmaceutical agents to prevent or treat alcohol and drug addiction. It is the intent of the Legislature that dedicated state funding for this research will be provided for five years, and be appropriated in the annual Budget Act.

SEC. 37. Section 104420 of the Health and Safety Code is amended to read:

104420. The State Department of Education shall provide the leadership for the successful implementation of this article in programs administered by local public and private schools, school districts, and county offices of education. The State Department of Education shall do all of the following:

(a) Provide a planning and technical assistance program to carry out its responsibilities under this article.

(b) Provide guidelines for schools, school districts, and school district consortia to follow in the preparation of plans for implementation of antitobacco use programs for schoolage populations. The guidelines shall:

(1) Require the applicant agency to select one or more model program designs and shall permit the applicant to modify the model



program designs to take special local needs and conditions into account.

(2) Require the applicant agency to prepare for each target population to be served a description of the service to be provided, an estimate of the number to be served, an estimate of the success rate and a method to determine to what extent goals have been achieved.

(3) Require plan submissions to include a staffing configuration and a budget setting forth use and distribution of funds in a clear and detailed manner.

(c) Prepare model program designs and information for schools, school districts, consortia, and county offices of education to follow in establishing direct service programs to targeted populations. Model program designs shall, to the extent feasible, be based on studies and evaluations that determine which service delivery systems are effective in reducing tobacco use and are cost-effective. The State Department of Education shall consult with the department, and school districts with existing antitobacco programs in the preparation of model program designs and information.

(d) Provide technical assistance for schools, school districts, and county offices of education regarding the prevention and cessation of tobacco use. In fulfilling its technical assistance responsibilities, the State Department of Education may establish a center for tobacco use prevention that shall identify, maintain, and develop instructional materials and curricula encouraging the prevention or cessation of tobacco use. The State Department of Education shall consult with the department and others with expertise in antitobacco materials or curricula in the preparation of these materials and curricula.

(e) Monitor the implementation of programs that it has approved under this article to ensure successful implementation.

(f) Prepare guidelines within 180 days of the effective date of this article for a school-based program of outreach, education, intervention, counseling, peer counseling, and other activities to reduce and prevent smoking among schoolage youth.

(g) Assist county offices of education to employ a tobacco use prevention coordinator to assist local schools and local public and community agencies in preventing tobacco use by pupils.

(h) Train the tobacco use prevention coordinators of county offices of education so that they are:

(1) Familiar with relevant research regarding the effectiveness of various kinds of antitobacco use programs.

(2) Familiar with department guidelines and requirements for submission, review, and approval of school-based plans.

(3) Able to provide effective technical assistance to schools and school districts.

(i) Establish a tobacco use prevention innovation program effort directed at specific pupil populations.

(j) Establish a competitive grants program to develop innovative programs promoting the avoidance, abatement, and cessation of tobacco use among pupils.

(k) Establish a tobacco-free school recognition awards program.

(l) As a condition of receiving funds pursuant to this article, the State Department of Education, county offices of education, and school districts shall ensure that they coordinate their efforts toward smoking prevention and cessation with the lead local agency in the community where the local school district is located.

(m) (1) Develop, in coordination with the county offices of education, a formula that allocates funds for school-based, antitobacco education programs to school districts and county offices of education for all pupils in grades 4 to 8, inclusive, on the basis of the average daily attendance (ADA) of pupils. School districts shall provide tobacco-use prevention instruction for pupils, grades 4 to 8, inclusive, that address the following essential topics:

(A) Immediate and long-term undesirable physiologic, cosmetic, and social consequences of tobacco use.

(B) Reasons that adolescents say they smoke or use tobacco.

(C) Peer norms and social influences that promote tobacco use.

(D) Refusal skills for resisting social influences that promote tobacco use.

(2) Develop a competitive grants program administered by the State Department of Education directed at pupils in grades 9 to 12, inclusive. The purpose of the grant program shall be to conduct tobacco-use prevention and cessation activities targeted to high-risk pupils and groups in order to reduce the number of persons beginning to use tobacco, or continuing to use tobacco. The State Department of Education shall consult with local lead agencies, the Tobacco Education and Research Oversight Committee, and representatives from nonprofit groups dedicated to the reduction of tobacco-associated disease in making grant award determinations. Grant award amounts shall be determined by available funds. The State Department of Education shall give priority to programs, including, but not limited to, the following:

(A) Target current smokers and pupils most at risk for beginning to use tobacco.

(B) Offer or refer pupils to cessation classes for current smokers.

(C) Utilize existing antismoking resources, including local antismoking efforts by local lead agencies and competitive grant recipients.

(n) (1) Allocate funds for administration to county offices of education for implementation of Tobacco Use Prevention Programs. The funds shall be allocated according to the following schedule based on average daily attendance in the prior year credited to all

elementary, high, and unified school districts, and to the county superintendent of schools within the county as certified by the Superintendent of Public Instruction:

(A) For counties with over 550,000 units of average daily attendance, thirty cents (\$0.30) per average daily attendance.

(B) For counties with more than 100,000 and less than 550,000 units of average daily attendance, sixty-five cents (\$0.65) per average daily attendance.

(C) For counties with more than 50,000 and less than 100,000 units of average daily attendance, ninety cents (\$0.90) per average daily attendance.

(D) For counties with more than 25,000 and less than 50,000 units of average daily attendance, one dollar (\$1) per average daily attendance.

(E) For counties with less than 25,000 units of average daily attendance, twenty-five thousand dollars (\$25,000).

(2) If funds appropriated for this purpose are insufficient, the Superintendent of Public Instruction shall prorate available funds among participating county offices of education with more than 25,000 units of average daily attendance.

(o) Allocate funds appropriated by the act adding this subdivision for local assistance to school districts and county offices of education based on average daily attendance reported in the second principal apportionment in the prior fiscal year. Those school districts and county offices of education that receive one hundred thousand dollars (\$100,000) or more of local assistance pursuant to this part shall target 30 percent of those funds for allocation to schools that enroll a disproportionate share of pupils at risk for tobacco use.

(p) (1) Provide that all school districts and county offices of education that receive funding under subdivision (o) make reasonable progress toward providing a tobacco-free environment in school facilities for pupils and employees.

(2) All school districts and county offices of education that receive funding pursuant to paragraph (1) shall adopt and enforce a tobacco-free campus policy no later than July 1, 1995. The policy shall prohibit the use of tobacco products, any time, in district-owned or leased buildings, on district property and in district vehicles. Information about the policy and enforcement procedures shall be communicated clearly to school personnel, parents, pupils, and the larger community. Signs stating "Tobacco use is prohibited" shall be prominently displayed at all entrances to school property. Information about smoking cessation support programs shall be made available and encouraged for pupils and staff. Any school district or county office of education that does not have a tobacco-free district policy implemented by July 1, 1996, shall not be eligible to apply for funds from the Cigarette and Tobacco Products Surtax Fund in the 1996-97 fiscal year and until the tobacco-free policy is

implemented. Funds that are withheld from school districts that fail to comply with the tobacco-free policy shall be available for allocation to school districts implementing a tobacco-use prevention education program, pursuant to subdivision (m).

SEC. 38. Section 4 of Chapter 975 of the Statutes of 1995, as amended by Section 33 of Chapter 299 of the Statutes of 1997, is amended to read:

Sec. 4. (a) There is hereby established in state government the Commission for Establishment of Academic Content and Performance Standards, to consist of 21 members.

(1) The members of the commission shall be as follows:

(A) Twelve members appointed by the Governor.

(B) The Superintendent of Public Instruction, or his or her designee.

(C) Six members appointed by the Superintendent of Public Instruction.

(D) One member appointed by the Senate Committee on Rules.

(E) One member appointed by the Speaker of the Assembly.

(2) The chair of the commission shall be elected by the members of the commission.

(3) Members of the commission shall serve at the pleasure of the appointing authority.

(4) It is the intent of the Legislature that the membership of the commission include, but not necessarily be limited to, parents, classroom teachers, representatives of the business community, and individuals with expertise in pupil assessment or expertise in the subject matter areas included in the statewide pupil assessment program.

(b) The commission shall develop academically rigorous content standards and performance standards to be used in public schools maintaining kindergarten and grades 1 to 12, inclusive. Those academically rigorous content standards and performance standards shall comply with all of the following requirements:

(1) Be measurable and objective.

(2) Reflect the knowledge and skills necessary for California's work force to be competitive in the global, information-based economy of the 21st century.

(3) Be comparable in rigor to academic content and performance standards used in the school systems of America's global economic competitors.

(4) Provide the basis for assessments for kindergarten and grades 1 to 12, inclusive, in the following groupings:

(A) Early elementary grades consisting of kindergarten and grades 1 to 3, inclusive.

(B) Upper elementary grades consisting of grades 4 to 6, inclusive.

(C) Early departmentalized grades consisting of grades 7 and 8.

(D) Secondary grades consisting of grades 9 to 12, inclusive.

(c) The commission shall first develop content standards and performance standards in reading, writing, and mathematics prior to developing content standards and performance standards in other core curriculum areas. The commission shall submit content standards and performance standards in each of the core curriculum areas to the State Board of Education for its consideration and adoption as they are completed by the commission.

(d) In developing the academically rigorous content standards and performance standards pursuant to subdivision (b), the commission shall hold a sufficient number of public hearings to allow input from parents, educators, and the public in all geographic regions of the state, but in no case fewer than six public hearings.

(e) On or before October 1, 1997, the commission shall have developed and submitted the academically rigorous content standards and performance standards for the core curriculum areas of reading, writing, and mathematics for all grade levels to the State Board of Education for approval by the board. On or before August 1, 1998, the commission shall develop and submit to the board the standards for science and history/social science.

(f) Upon approval of a staffing and expenditure plan by the commission, funds appropriated for support of the commission shall be allocated by the chair or his or her designee. The commission may appoint personnel and enter into contracts and interagency agreements for services in support of the commission.

(g) This section shall remain in effect only until January 1, 1999, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 1999, deletes or extends that date.

SEC. 39. Section 3 of Chapter 767 of the Statutes of 1997 is amended to read:

Sec. 3. (a) The sum of five hundred thousand dollars (\$500,000) is hereby appropriated from the General Fund to the County Office Fiscal Crisis and Management Assistance Team (FCMAT) for the purposes of conducting the assessments and completing the recovery plans specified in this act.

(b) Any funds appropriated in this section that are not used by FCMAT for the purposes specified in this section shall revert to the General Fund.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.



SEC. 40. Notwithstanding any other provision of law, any and all funds appropriated in Items 6110-104-0001, 6110-105-0001, 6110-156-0001, 6110-158-0001, 6110-161-0001, 6110-185-0001, 6110-186-0001, 6110-190-0001, 6110-196-0001, 6110-230-0001, and 6110-234-0001 of Section 2.00 of the Budget Act of 1998, and the amount appropriated for purposes of Section 42243.7 of the Education Code for the 1998–99 fiscal year, are in lieu of the amounts that would otherwise be required to be appropriated pursuant to any other provision of law.

SEC. 41. (a) One hundred million dollars (\$100,000,000) is hereby transferred from the General Fund to the State School Deferred Maintenance Fund for allocation by the State Allocation Board to school districts for high priority, critical needs projects, as defined by the board to mean projects that school districts were unable to complete with funds provided pursuant to Section 39619 of the Education Code, including, but not limited to, removal of underground storage tanks, roof maintenance and replacement, and projects required to ensure the health and safety of pupils. A school district is eligible to receive an allocation pursuant to this section if it has applied for and received all funds for which it is eligible under Section 39619 of the Education Code. A school district may not use funds allocated to it pursuant to this section to meet the local match required pursuant to Section 39619 of the Education Code.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated to school districts,” as defined in subdivision (c) of Section 41202 of the Education Code for the 1997–98 fiscal year and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B” as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

SEC. 42. (a) The sum of seventy-five million one hundred forty-two thousand dollars (\$75,142,000) is hereby appropriated from the General Fund to the Controller for transfer to Section B of the State School Fund for the purpose of providing one-time grants to community college districts for the 1998–99 fiscal year. Of the amount appropriated in this subdivision, up to twenty million dollars (\$20,000,000) may be utilized to backfill property tax deficiencies for the 1997–98 fiscal year only if these deficiencies are certified by the Chancellor of the California Community Colleges and the Director of Finance.

(b) Of the balance remaining after any funds are utilized to backfill property tax deficiencies, 50 percent of the amount appropriated pursuant to subdivision (a) shall be allocated by the Chancellor of the California Community Colleges to community

college districts for the purpose of one-time expenditures on high priority projects for instructional equipment and library materials replacement, and technology infrastructure. These funds shall be allocated in an average amount per actual statewide full-time equivalent student enrollment reported for the 1997–98 fiscal year, except that each community college district shall be allocated an amount not less than thirty thousand dollars (\$30,000), and the average amount per unit of full-time enrollment shall be computed accordingly.

(c) The Chancellor of the California Community Colleges shall distribute the remaining funds in the 1998–99 fiscal year to community college districts on a project-by-project basis consistent with established criteria for scheduled maintenance and special repairs, architectural barrier removal, and hazardous substances.

(d) Hazardous substances projects shall have no matching funds requirement. In order for a community college district to be eligible for funds appropriated pursuant to this section for all other projects, the community college district shall pay for a portion of the project from other revenues available to the community college districts. For architectural barrier removal projects, the amount of the match shall be equivalent to one dollar (\$1) for every one dollar (\$1) of state funds provided. For all other projects except for hazardous substances projects, the matching fund requirements shall be consistent with the Budget Act of 1998 for those programs. The matching fund requirement under this section may be waived in whole or in part for financial hardships as determined by the Chancellor of the California Community Colleges.

(e) For the purpose of making the computations required by Section 8 of Article XVI of the California Constitution, twenty million four hundred seventy-three thousand dollars (\$20,473,000) of the amount appropriated pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code for the 1996–97 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code for the 1996–97 fiscal year.

(f) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, fifty-four million six hundred sixty-nine thousand dollars (\$54,669,000) of the amount appropriated by subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code for the 1997–98 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to



Article XIII B” as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

SEC. 43. The sum of two hundred sixty-six million dollars (\$266,000,000) is hereby appropriated in accordance with the following schedule:

(a) (1) The sum of eighty-six million dollars (\$86,000,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction, without regard to fiscal year, exclusively for allocation to school districts for installation grants for the Digital High School Program established pursuant to Chapter 8.5 (commencing with Section 52250) of Part 28 of the Education Code.

(2) For the purpose of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (1) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code for the 1997–98 fiscal year and be included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code for the 1997–98 fiscal year.

(b) (1) (A) The sum of one hundred eighty million dollars (\$180,000,000) is hereby appropriated from the General Fund for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the purpose of providing funds to each regular public school in the state for the 1998–99 fiscal year. The Superintendent of Public Instruction shall allocate the funds on the basis of an equal amount per unit of actual average daily attendance, including average daily attendance attributable to regional occupational centers and programs and adult education, for the 1997–98 second principal apportionment for each regular public school, provided, however, that no regular public school shall receive less than ten thousand dollars (\$10,000). If a school district did not report prior year average daily attendance by the second principal apportionment of the 1997–98 fiscal year, but is a regular public school as defined pursuant to subparagraphs (D) and (E), that school is also qualified to receive the minimum grant specified under this section.

(B) The use of funds allocated pursuant to subparagraph (A) for public schools under the jurisdiction of a school district shall be proposed by each school’s schoolsite council, as defined in Section 52012 of the Education Code, or if the school does not have a schoolsite council, by schoolwide advisory groups or school support groups that conform to the requirements of Section 52012 of the Education Code. The proposals shall be approved by the governing board of the school district prior to encumbrance or expenditure of the funds allocated pursuant to subparagraph (A). If the governing



board of a school district does not approve the use proposed pursuant to this subparagraph, no expenditures of the specified funds may be made and the governing board of the school district shall inform the schoolsite council, schoolwide advisory group, or school support group of the reasons why the proposal was disapproved. If the schoolsite council, schoolwide advisory group, or school support group and the governing board of the school district are not able to agree on the use of the funds by May 1, 1999, the county superintendent of schools shall notify the Controller of the impasse. The Controller shall require that the funds allocated to the school be returned to the state at the next following apportionment, and the funds shall revert to the Proposition 98 Reversion Account within the General Fund.

(C) The use of funds allocated pursuant to subparagraph (A) for schools under the jurisdiction of a county office of education shall be proposed by each school's schoolwide advisory group or school support group that conforms to the requirements of Section 52012 of the Education Code. The proposals shall be approved by the county board of education prior to expenditure of the funds allocated pursuant to subparagraph (A).

(D) For purposes of this section, "regular public school," as provided in subparagraph (A), means any public school at a district and wholly self-contained public schoolsite, and with a separate county-district-school (CDS) code, as maintained by the Superintendent of Public Instruction as of June 30, 1998, and which is in operation during the 1998-99 school year. Two or more schools that share a physical site or staff shall be considered a single "regular public school" for purposes of qualifying for the minimum ten thousand dollar (\$10,000) grant, which shall be allocated to the separate schools sharing the site based on each school's share of qualifying average daily attendance. Funds allocated pursuant to subparagraph (A) shall not be allocated to parents or guardians of pupils, or to pupils.

(E) For the purposes of this section, "regular public school," as provided in subparagraph (A), shall include charter schools that have pupils who are currently enrolled and that have a current county-district-school (CDS) code, as maintained by the Superintendent of Public Instruction as of June 30, 1998. The use of the funds allocated to charter schools pursuant to subparagraph (A) shall further the program specified in the school's charter and shall not be allocated to parents, pupils, or staff of the charter school. A charter school shall obtain approval from the governing board of the school district for the use of the funds allocated pursuant to subparagraph (A) if the terms of its charter require the approval of the governing board of the school district for similar uses of funds.



(F) Schools that choose to accept funds allocated pursuant to subparagraph (A) shall agree to implement all of the provisions of this section.

(2) For the purpose of making the computations required by Section 8 of Article XVI of the California Constitution, of the appropriation made by subparagraph (A) of paragraph (1), one hundred eighty million dollars (\$180,000,000) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

SEC. 44. Notwithstanding Section 44235 of the Education Code, for the 1998–99 and 1999–2000 fiscal years, the fee for the issuance and renewal of teaching credentials shall be sixty dollars (\$60) and the fee for emergency substitute permits shall be fifty-five dollars (\$55).

SEC. 45. (a) (1) The sum of twelve million five hundred thousand dollars (\$12,500,000) is hereby appropriated from the General Fund, for transfer to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to local education agencies, on a one-time basis, for the purpose of providing services to CalWORKs-eligible recipients, as defined in Section 10200 of the Education Code, in accordance with this act.

(2) The appropriation made by this subdivision shall only become operative if the appropriation made for the same purpose in Item 6110-156-0001 of Section 2.00 of the Budget Act of 1998 does not become effective.

(b) The funds appropriated in this section and the funds appropriated in Schedule (b) of Item 6110-156-0001 of Section 2.00 of the Budget Act of 1998, shall be used only for educational activities for CalWORKs-eligible recipients. The educational activities allowable pursuant to this section shall be limited to those designed to increase self-sufficiency, job training, and work. These activities shall be carried on in accordance with each local education agency’s approved plan and developed pursuant to Chapter 2 (commencing with Section 10200) of Part 7 of the Education Code.

(c) Notwithstanding any other provision of law, each local education agency’s individual cap for adult education and regional occupational center and programs (ROC/P’s), average daily attendance shall not be increased as a result of the appropriations made by this section.

(d) Funds may be claimed by local education agencies for services provided to CalWORKs-eligible recipients pursuant to this section only if all of the following occur:



(1) Each local education agency has met the terms of the interagency agreement between the State Department of Education and the Department of Social Services pursuant to Provision 2 of Item 6110-156-0001 of Section 2.00 of the Budget Act of 1998.

(2) Each local education agency has fully claimed its respective adult education or ROC/P average daily attendance cap for the current year.

(3) Each local education agency has claimed the maximum allowable funds available under the interagency agreement pursuant to Provision 2 of Item 6110-156-0001 of Section 2.00 of the Budget Act of 1998.

(e) Each local education agency shall be reimbursed at the same rate as it would otherwise receive for services provided pursuant to Item 6110-156-0001 or Item 6110-105-0001 of Section 2.00 of the Budget Act of 1998, and shall comply with the program requirements for adult education pursuant to Chapter 10 (commencing with Section 52500) of Part 28 of the Education Code, and ROC/P requirements pursuant to Article 1 (commencing with Section 52300) of, and Article 1.5 (commencing with Section 52335) of, Chapter 9 of, Part 28 of the Education Code, respectively.

(f) Notwithstanding any other provision of law, funds appropriated in this section for average daily attendance (ADA) generated by participants in the CalWORKs program may be apportioned on an advance basis to local education agencies based on anticipated units of ADA if a prior application for this additional ADA funding has been approved by the Superintendent of Public Instruction.

(g) For purposes of making computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

SEC. 46. (a) The Legislature finds the need for good information on the role of local education agencies in providing services to individuals who are eligible for or recipients of CalWORKs assistance. This information includes the extent to which local education programs serve public assistance recipients and the impact these services have on the recipients' ability to find jobs and become self-supporting.

(b) The State Department of Education shall develop a data and accountability system to obtain information on education and job training services provided through state-funded adult education

programs and regional occupational centers and programs. The system shall collect information on (1) program funding levels and sources; (2) the types and amounts of services provided to program participants; (3) characteristics of participants; and (4) student and program outcomes. The State Department of Education shall provide local providers with a list of required data elements by October 15, 1998. The department shall work with the Department of Finance and Legislative Analyst's Office in determining the specific data elements of the system and shall meet all information technology reporting requirements of the Department of Information Technology and the Department of Finance.

(c) As a condition of receiving funds provided in Schedule (b) of Item 6110-156-0001 of Section 2.00 of the Budget Act of 1998 or any other General Fund appropriation made to the State Department of Education specifically for education and training services to CalWORKs recipients, local adult education programs and regional occupational centers and programs shall collect program and participant data as described in this section and as required by the State Department of Education. Beginning January 1, 1999, local providers shall begin collecting the data elements required by the State Department of Education. The State Department of Education shall require that local providers submit to the state aggregate data for the period January 1, 1999 through June 30, 1999. The State Department of Education shall provide to the local providers by October 15, 1998, a description of the specific reporting requirements for this data.

(d) Beginning July 1, 1999, local providers shall provide data to the State Department of Education that permits a disaggregation of data to permit the identification for subgroups of participants of (1) types and levels of services, and (2) outcomes. The State Department of Education shall provide to local providers by July 1, 1999, a description of the specific reporting requirements needed to permit the disaggregation of data.

(e) The State Department of Education shall report on or before March 1, 1999, to the Department of Finance, the Legislative Analyst's Office, and the budget committees of the Senate and Assembly on its progress in establishing the data system. In addition, the State Department of Education shall describe both of the following:

(1) The department's proposed data collection system needed to implement the disaggregated data system described in subdivision (d).

(2) The department's proposal to consolidate all state data needs for adult education and regional occupational centers and programs into one data system that is integrated with the department's California School Information Services data system.

SEC. 47. Notwithstanding any other provision of law, the Rio Dell Elementary School District and the Silver Fork Elementary School District, which received minimum one-time grants pursuant to Section 44 of Chapter 204 of the Statutes of 1996, but did not receive verification from their county office of education that those sites were eligible until after the May 1, 1997, deadline, shall be eligible to expend those funds if the schoolsite councils or schoolwide advisory groups of the respective school districts approve a proposal as described in Section 44 of Chapter 204 of the Statutes of 1996, no later than January 1, 1999.

SEC. 48. Notwithstanding Section 43 of Chapter 204 of the Statutes of 1996, the funds appropriated in Section 43 of Chapter 204 of the Statutes of 1996 are available for expenditure for the costs of establishing the California Indian Museum.

SEC. 49. The sum of seventy-nine million five hundred thousand dollars (\$79,500,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction in accordance with the following schedule:

(a) (1) Seventy-one million five hundred thousand dollars (\$71,500,000) for allocation to school districts and county offices of education on the basis of an equal amount per unit of prior year average daily attendance, as defined in subdivision (a) of Section 14022.3 of the Education Code, for the purchase of science laboratory materials and equipment.

(2) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (1) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

(b) (1) Five million dollars (\$5,000,000) for support of joint-use library projects in the following school districts, for one-time expenses, in accordance with the following:

(A) One million two hundred thousand dollars (\$1,200,000) to the Sweetwater Union School District for the Imperial Beach-Mar Vista library project.

(B) Three hundred thousand dollars (\$300,000) to the Pasadena Unified School District for the Pasadena Unified/City of Pasadena joint-use library.

(C) One million five hundred thousand dollars (\$1,500,000) to the National City School District for the Lincoln Acres joint-use library project between the Sweetwater Union High School District and the National City School District.

(D) One million dollars (\$1,000,000) to the Livermore Valley Joint Unified School District for a Youth Services and Adult Literacy joint-use library project between the Livermore Valley Joint Unified School District and the City of Livermore Public Library.

(E) Three hundred fifty thousand dollars (\$350,000) to the Freedom High School District for a joint-use library project with the Contra Costa County Public Library.

(F) Five hundred thousand dollars (\$500,000) to the Antelope Valley Union High School District for a joint-use library project between Antelope Valley Union High School and the Lancaster Elementary School District, the City of Lancaster, and the County of Los Angeles.

(G) One hundred thousand dollars (\$100,000) to the El Dorado Union High School District for the Oak Ridge High School-El Dorado County Joint-Use Library.

(H) Fifty thousand dollars (\$50,000) to the Miniarets Joint Union High School District for a joint-use library project between the Miniarets Joint Union High School District and the Shaver Lake Branch Library in Fresno County.

(2) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (1) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

(c) (1) Three million dollars (\$3,000,000) shall be available on a one-time basis for three-year grants, beginning with the 1998–99 fiscal year, for the purpose of funding regional demonstration pilot programs of technical assistance to teach school districts and county offices of education with Healthy Start sites how to develop strategic plans and materials specifically designed to support corporate funding development, with priority given to districts with sites experiencing difficulties raising funds to achieve sustainability.

(2) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (1) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 1997–98 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B”, as defined in subdivision (e) of Section 41202 of the Education Code, for the 1997–98 fiscal year.

SEC. 50. (a) (1) The sum of ten million one hundred three thousand five hundred seventy-two dollars (\$10,103,572) is hereby appropriated from the General Fund to the State Controller, for reimbursement of claims received from the following school districts for costs of court-ordered and voluntary desegregation programs pursuant to Section 42247 of the Education Code, in accordance with paragraph (2).

(2) For the 1993–94 fiscal year, the schedule shall be as follows:

Voluntary Desegregation School Districts	Reimbursement Claims for the 1993–94 fiscal year
ABC Unified School District	\$ 973
Bakersfield City School District	55,612
Banning Unified School District	535
Berkeley Unified School District	78,928
Brawley Elementary School District	0
Chula Vista Elementary School District	0
Claremont Unified School District	5,245
Eastside Union High School District	2,221
El Centro School District	10,173
Fresno Unified School District	164,583
Fullerton Elementary School District	0
Gilroy Unified School District	23,500
Hanford School District	566
Long Beach School District	74,022
Los Angeles Unified School District	970,633
Merced City School District	4,143
Monrovia Unified School District	0
Monterey Peninsula Unified School District	4,165
Mountain View–Los Altos Union School District	312
North Monterey County Unified School District	0
Oakland Unified School District	0
Oxnard Elementary School District	0
Pasadena Unified School District	62,233
Redwood City Elementary School District	0
Riverside Unified School District	7,880
Sacramento City Unified School District	9,172
San Bernardino City Unified School District	0

San Diego City Unified School District	0
San Jose Unified School District	0
San Mateo–Foster City School District	2,490
San Mateo Union High School District	3,785
Santa Barbara Elementary School District	836
Santa Monica–Malibu School District	9,803
Santa Paula Elementary School District	0
Sequoia Union High School District	1,568
Solana Beach Elementary School District	37,906
Sunnyvale Elementary School District	7,193
Sweetwater Union High School District	16,248
Ventura Unified School District	1,106
Vista Unified School District	142,861

	Reimburse- ment Claims for the 1993–94 fiscal year
Court–Ordered Desegregation School Districts	
Bakersfield City School District	0
Los Angeles Unified School District	1,355,992
Menlo Park City School District	0
Palo Alto Unified School District	0
Ravenswood City School District	383
Redwood City School District	186
San Bernardino Unified School District	63,542
San Diego Unified School District	502,019
San Francisco Unified School District	728,981
San Jose Unified School District	0
San Mateo County Office of Education	0
Santa Clara County Superintendent of Schools	0
Sequoia Union High School District	1,726
Stockton Unified School District	0
GRAND TOTAL	\$4,351,531

(3) For the 1994–95 fiscal year, the schedule shall be as follows:

Voluntary Desegregation School Districts	Reimbursement Claims for the 1993–94 fiscal year
ABC Unified School District	\$ 9,006
Bakersfield City School District	35,575
Banning Unified School District	1,196
Berkeley Unified School District	0
Brawley Elementary School District	3,839
Chula Vista Elementary School District	5,829
Claremont Unified School District	5,876
Eastside Union High School District	4,211
El Centro School District	16,369
Fresno Unified School District	301,168
Fullerton Elementary School District	3,547
Gilroy Unified School District	36,944
Hanford School District	901
Long Beach School District	262,057
Los Angeles Unified School District	877,142
Merced City School District	5,353
Monrovia Unified School District	2,125
Monterey Peninsula Unified School District	7,212
Mountain View–Los Altos Union School District	66
North Monterey County Unified School District	0
Oakland Unified School District	17,209
Oxnard Elementary School District	25,617
Pasadena Unified School District	9,483
Redwood City Elementary School District	9,741
Riverside Unified School District	16,557
Sacramento City Unified School District	3,061
San Bernardino City Unified School District	110,843
San Diego City Unified School District	135,333
San Jose Unified School District	65,322
San Mateo–Foster City School District	14,315
San Mateo Union High School District	3,381
Santa Barbara Elementary School District	1,151
Santa Monica–Malibu School District	23,401
Santa Paula Elementary School District	7,507
Sequoia Union High School District	5,091

Solana Beach Elementary School District	2,187
Sunnyvale Elementary School District	2,111
Sweetwater Union High School District	16,690
Ventura Unified School District	0
Vista Unified School District	77,991

Court-Ordered Desegregation School Districts	Reimburse- ment Claims for the 1994-95 fiscal year
Bakersfield City School District	132,687
Los Angeles Unified School District	1,610,233
Menlo Park City School District	3,728
Palo Alto Unified School District	62,994
Ravenswood City School District	2,674
Redwood City School District	3,863
San Bernardino Unified School District	221,810
San Diego Unified School District	0
San Francisco Unified School District	692,686
San Jose Unified School District	417,173
San Mateo County Office of Education	1,047
Santa Clara County Superintendent of Schools	1,325
Sequoia Union High School District	31,630
Stockton Unified School District	444,780
GRAND TOTAL	\$5,752,041

(b) For the purposes of making computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by this section shall be deemed to be "General Fund revenues appropriated to school districts," as defined in subdivision (c) of Section 41202 of the Education Code for the 1997-98 fiscal year, and be included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code for the 1997-98 fiscal year.

(c) Funds appropriated by this section for deficiencies in desegregation programs for the 1993-94 and 1994-95 fiscal years do not imply that funding will be provided for this purpose in years subsequent to the 1995-96 fiscal year. This section shall not be construed as a requirement for the payment of any other deficits in

the funding levels for the remaining categorical programs contained in Item 6110-230-0001 of Section 2.00 of any annual Budget Act.

SEC. 51. (a) Notwithstanding any other provision of law, the Superintendent of Public Instruction shall apply the same deficit factor to school district revenue limits calculated pursuant to Section 42238 of the Education Code for the 1998–99 fiscal year that was applied to school district revenue limits for the 1997–98 fiscal year.

(b) Notwithstanding any other provision of law, the Superintendent of Public Instruction shall apply the same deficit factor to county office of education revenue limits calculated pursuant to Section 2558 of the Education Code for the 1998–99 fiscal year that was applied to county office of education revenue limits for the 1997–98 fiscal year.

(c) The Superintendent of Public Instruction shall notify in writing each school district and county office of education that it is the intent of the Legislature to consider imposing by appropriate legislation a deficit factor for the 1999–2000 fiscal year as part of the annual state budget process for that fiscal year. If the Budget Act of 1999 has not been passed by the Legislature and signed by the Governor prior to distribution of the advanced apportionment provided to school districts and county offices of education pursuant to Section 41330 of the Education Code, the Superintendent of Public Instruction shall calculate the advanced apportionment for the 1999–2000 fiscal year based upon the deficit factor used for the 1998–99 fiscal year.

(d) This section shall become inoperative on the date the Budget Act of 1999 becomes operative, and, as of January 1, 2000, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 52. The sum of seventy-eight million four hundred twenty-five thousand dollars (\$78,425,000) is hereby reappropriated from the Proposition 98 Reversion Account, for the following purposes:

(a) The sum of thirty million dollars (\$30,000,000) is hereby appropriated to the State Department of Education for allocation to school districts and county offices of education on a one-time basis for school-based mathematics staff development, including training in both content and pedagogy, as recommended in the Mathematics Program Advisory approved by the State Board of Education, the State Department of Education, and the Commission on Teacher Credentialing. Of that amount, one million five hundred thousand dollars (\$1,500,000) shall be available on a one-time basis for local assistance program expenditures for the Math Matters program formerly funded by the National Science Foundation. Funds shall only be appropriated for this program if the State Board of Education certifies that the Math Matters program is aligned to state content



standards. Of the amount appropriated by this subdivision, twenty-eight million five hundred thousand dollars (\$28,500,000) is available to fund in equal amounts the math staff development programs proposed in Assembly Bill 1331 and Assembly Bill 2442 of the 1997–98 Regular Session.

(b) The sum of one million fifty-three thousand dollars (\$1,053,000) is hereby appropriated, on a one-time basis, for allocation by the State Department of Education to fund testing for the presence of lead in drinking water in public elementary and secondary schools. These funds shall be disbursed by the State Department of Education to each schoolsite as follows: (1) one hundred twenty dollars (\$120) for each public elementary school; (2) two hundred thirty dollars (\$230) for each public junior high school, middle school, and high school.

(c) The sum of four million one hundred fifty-two thousand dollars (\$4,152,000) is hereby appropriated to the State Department of Education for allocation to the Oxnard Union High School District for the purpose of extending the school year.

(1) The funds reappropriated by this subdivision shall not be disbursed until the Oxnard Union High School District has notified the State Department of Education that it elects to continue its participation in the Extended School Year Program and will comply with all of the following requirements:

(A) The district shall make the extended school year applicable to all high schools and all students in grades 9 to 12, inclusive, in the school district, and be uniform in its application.

(B) The district shall provide to all pupils in the district at least 195 days of instruction. For students attending continuation high schools, alternative schools, opportunity schools, and special daily classes for individuals with exceptional needs, the district shall provide in the extended school year at least 195/180ths of the instructional minutes provided by each such program in the 1995–96 school year. For students for whom the district needs to maintain instructional time requirements specified in Section 46201 of the Education Code, the district shall provide at least 70,200 instructional minutes in the extended school year program. The district shall waive the right to staff development days in lieu of instructional days and waive any right to receive full average daily attendance for those staff development days, including, but not limited to, the use of staff development days authorized by Sections 44670.6, 52022, 52854, and 56242 of the Education Code.

(C) The district shall contract with an independent evaluator for an evaluation of the Extended School Year Program to be conducted at the conclusion of the fiscal year. The evaluation shall include, but not necessarily be limited to, the impact of the longer year on student academic achievement, student attendance, and dropout rates. A copy of the evaluation shall be provided to the State Department of

Education, the Department of Finance, the Legislative Analyst's Office, and the Joint Legislative Budget Committee by November 1, 1999.

(D) If the district operates an extended school year program pursuant to this provision, the State Department of Education shall apportion twenty-one dollars (\$21) per unit of average daily attendance for days 181 through 195 of the 1998–99 school year, not to exceed the amount appropriated by this item. This calculation shall be exclusive of adult average daily attendance, the average daily attendance of pupils while participating in regional occupation centers or programs, and average daily attendance for pupils attending summer school.

(d) The sum of five million dollars (\$5,000,000) is hereby appropriated, on a one-time basis, to the State Department of Education to be expended for a program that provides financial incentives to teachers for achieving certification from the National Board for Professional Teaching Standards pursuant to legislation enacted during the 1997–98 Regular Session.

(e) The sum of six million dollars (\$6,000,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction, exclusively for allocation to school districts for reimbursement of the 1996–97 and 1997–98 fiscal years for shortfalls in year-round incentive grants calculated pursuant to Section 42260 of the Education Code.

(f) The sum of five million five hundred thousand dollars (\$5,500,000) is hereby appropriated to the Superintendent of Public Instruction to implement the model budget and accounting system, referred to as the Standardized Account Code Structure, established pursuant to Chapter 237 of the Statutes of 1993 and Chapter 525 of the Statutes of 1995. The allocation shall be made on a one-time basis, consistent with those provisions of Section 39 of Chapter 299 of the Statutes of 1997 that apply to Phase II participants as defined in subdivision (o) of that section.

(g) (1) The sum of three million four hundred thousand dollars (\$3,400,000) is hereby appropriated, on a one-time basis, to the County Office Fiscal Crisis and Management Assistance Team for the purpose of implementing the California School Information Services program.

(2) The data collected through the California Student Information System shall be consistent with the plan previously approved by the State Board of Education, which specified that data elements and codes transferred through any electronic statewide school information system may not contain any questions or items that solicit or invite disclosure of the personal beliefs or practices of a pupil, or of his or her parent or guardian, as to sex, family life, morality, religion, citizenship, nor may it contain any question designed to evaluate personal behavioral characteristics including,

but not necessarily limited to, honesty, integrity, sociability, or self-esteem.

(h) The sum of ten million dollars (\$10,000,000) is hereby appropriated, on a one-time basis, to the Superintendent of Public Instruction for allocation to school districts and county offices of education that adopt a community policing approach as set forth in pending legislation that establishes the School/Community Policing Program. This subdivision shall not become operative unless and until legislation is enacted establishing a School/Community Policing Program that becomes operative after January 1, 1998, and on or before January 1, 1999.

(i) The sum of four million one hundred thirty thousand dollars (\$4,130,000) is hereby appropriated, on a one-time basis, to the Superintendent of Public Instruction for the exclusive purpose of the costs associated with settlement of the Long Beach Unified School District desegregation case (Long Beach Unified School District v. State of California).

(j) (1) The sum of seven hundred forty thousand dollars (\$740,000) is hereby appropriated, on a one-time basis, to the Superintendent of Public Instruction for allocation to the Moorpark Unified School District for transportation costs for the 1998–99 fiscal year.

(2) If the Moorpark Unified School District implements a voluntary desegregation program for the 1998–99 fiscal year, the allowable reimbursement for that program for the 1998–99 fiscal year shall be reduced by an amount equal to the amount appropriated pursuant to this subdivision.

(k) The sum of three hundred fifty thousand dollars (\$350,000) for allocation to the Napa Valley Unified School District for the Napa County Regional Occupational Center/Program. Funds appropriated in this subdivision shall be used on a one-time basis to purchase computer equipment and other instructional materials for the Napa New Technology High School.

(l) The sum of two million six hundred thousand dollars (\$2,600,000) for allocation to a consortium of county offices of education, on a one-time basis, for three-year grants, beginning with the 1998–99 fiscal year for the purpose of supporting technical assistance and focused group training to teach school districts how to maximize reimbursements of federal funds for Medi-Cal services and case management. The technical advisory committee supported by this section shall be composed of one representative from each of the 11 school superintendent regions, representatives from appropriate state departments and agencies, representatives from various school health and social services organizations, four members each representing large, medium, and small school districts, and representatives from various parent and community services organizations. Expenses for the advisory committee shall not exceed



forty-five thousand dollars (\$45,000) per year of the funds appropriated by this section.

(m) The sum of five million five hundred thousand dollars (\$5,500,000) for transfer, on a one-time basis, by the Controller to the Charter School Revolving Loan Fund.

SEC. 53. The sum of five million one hundred thirty thousand dollars (\$5,130,000) is reappropriated from the Proposition 98 Reversion Account to the Superintendent of Public Instruction in accordance with all of the following:

(a) One hundred ten thousand dollars (\$110,000) for allocation on a one-time basis to the Pasadena Unified School District. Of that amount, twenty thousand dollars (\$20,000) is provided for the purchase of textbooks for a tutoring program, and ninety thousand dollars (\$90,000) is provided for support of the Pasadena Youth Center.

(b) Eighty thousand dollars (\$80,000) for allocation on a one-time basis to the Santa Paula Unified School District for the purpose of renovating a swimming pool.

(c) Fifty thousand dollars (\$50,000) for allocation on a one-time basis to the Montebello Unified School District for the purpose of purchasing school security devices.

(d) One hundred eighty thousand dollars (\$180,000) for allocation on a one-time basis to the San Luis Obispo County Office of Education for the purpose of support of the Port San Luis Marine Center.

(e) One hundred eighty thousand dollars (\$180,000) for allocation on a one-time basis to the Los Angeles County Office of Education for the purpose of developing middle school civic education curricula.

(f) One hundred fifty thousand dollars (\$150,000) for allocation on a one-time basis to the Temple City Unified School District for the purpose of support of the Temple City Arts Academy.

(g) Two hundred thousand dollars (\$200,000) for allocation on a one-time basis to the Superintendent of Public Instruction, for allocation on a grant basis to local educational agencies for support of home economics careers programs, pursuant to legislation enacted in the 1997–98 Regular Session.

(h) Two hundred thousand dollars (\$200,000) for allocation on a one-time basis to the Ventura Unified School District for the purpose of modernizing the stadium at Buena High School.

(i) Five hundred thousand dollars (\$500,000) for allocation on a one-time basis to the Rio School District for the purpose of construction of the Rio Del Valle Gymnasium.

(j) Five hundred thousand dollars (\$500,000) for allocation on a one-time basis to the Lucia Mar School District for the purpose of constructing a performing arts center.

(k) Three hundred thousand dollars (\$300,000) for allocation on a one-time basis to the Los Angeles Unified School District for the purpose of support of the California Arts Initiative.

(l) Four hundred eighty thousand dollars (\$480,000) for allocation, on a one-time basis, on a matching basis in equal amounts, to the Santa Barbara High School District and its feeder elementary districts, the Sacramento City Unified School District, and the Western Placer Unified School District, for the purpose of supporting community-wide school facilities planning pilot projects intended to result in the building of lower-cost, higher-quality schools. The school districts shall specify in their applications for funds how the funds will be used, the amount of the school district and community matching funds, the timeline of the project, and how its success will be evaluated. These school districts shall utilize consultants experienced in the community-wide planning process. The local match shall include an equal amount of school district and community/business partnership funds.

(m) One million dollars (\$1,000,000) for allocation on a one-time basis to the Superintendent of Public Instruction, for allocation on a grant basis to local educational agencies, for the purpose of high school coaching training, pursuant to legislation enacted in the 1997–98 Regular Session.

(n) Seven hundred thousand dollars (\$700,000) for allocation on a one-time basis to the Los Alamitos Unified School District for the purpose of support of the Los Alamitos High School for the Arts.

(o) One hundred thousand dollars (\$100,000) for allocation on a one-time basis to the San Diego City Unified School District for the purpose of supporting the Home Instruction for Preschool Youngsters program.

(p) Four hundred thousand dollars (\$400,000) for allocation on a one-time basis to the Santa Ana Unified School District for the purpose of support of an arts and technology outreach program.

SEC. 54. The sum of five million one hundred twenty-eight thousand eight hundred ninety-three dollars (\$5,128,893) is reappropriated from the Proposition 98 Reversion Account to the Superintendent of Public Instruction, in accordance with the following schedule:

(a) One million two hundred forty-eight thousand five hundred dollars (\$1,248,500) for allocation, as divided among all single-school districts in equal amounts for the 1998–99 fiscal year, on a one-time basis for the purchase of no less than two laptop computers per school district. Districts may use any remaining funds, after the purchase of the computer hardware, for the purchase of computer-related equipment and software. The Legislature finds and declares that teachers and staff employed at single-school school districts may benefit from the availability of portable computers that

can facilitate classroom preparedness, such as the development of school plans and student homework assignments.

(b) Thirty thousand dollars (\$30,000) for allocation to the San Bernardino County Office of Education for the 1998–99 fiscal year on a one-time basis for work in collaboration with the City of Rancho Cucamonga to support an after-school “at-risk youth” program.

(c) Fifty thousand dollars (\$50,000) for allocation to the Santa Clara County Office of Education in the 1998–99 fiscal year on a one-time basis to support the development of educational networks among schools under the jurisdiction of the office.

(d) Twenty-six thousand five hundred dollars (\$26,500) for allocation on a one-time basis to the Alta-Dutch Flat Union School District in the 1998–99 fiscal year on a one-time basis to provide afternoon school busing service.

(e) Three hundred fifty thousand dollars (\$350,000) for allocation to the Imperial County Office of Education in the 1998–99 fiscal year on a one-time basis to support technology infrastructure project to link local schools through a local area network.

(f) The sum of three hundred seventy-five thousand dollars (\$375,000) for allocation on a one-time basis to the Anaheim City School District for the 1998–99 fiscal year on a one-time basis to support the Anaheim Achieves community and school district collaborative program.

(g) Six hundred fifty thousand dollars (\$650,000) for allocation, on a one-time basis, to the Merced County Office of Education. Funds appropriated in this item are for the purposes of establishing pilot programs linking education, employability skills, and job opportunities for at-risk youth in Merced County. Funded programs shall accomplish all of the following:

(A) Work in collaboration with local school districts and businesses.

(B) Provide at-risk youth tangible skills in career development, job attainment, leadership, and self-development linked to work-based activities.

(C) Provide a followup component to participants after completion of the program.

(D) Include a community service component.

(E) Develop a career network for disadvantaged adolescents.

(h) Fifty thousand dollars (\$50,000) for allocation to the Bellflower Unified School District to implement the Bellflower Against Gangs (BAG) Program. The program shall be an intervention program to provide counseling to students that have been identified as “at-risk.”

(i) Seventy-five thousand dollars (\$75,000) for allocation, on a one-time basis, to the ABC Unified School District to design and implement the Artesia Youth Academy, which is to provide

educational, leadership, and community services for pupils in grades 4, 5, and 6 and their families.

(j) (1) Four hundred seventy-three thousand eight hundred ninety-three dollars (\$473,893) for allocation to the Pasadena Unified School District on a one-time basis for repayment of funds withheld as a result of an audit of average daily attendance for the school district's kindergarten and prekindergarten program in the 1995–96 fiscal year.

(2) The State Department of Education shall recalculate the Pasadena Unified School District's 1995–96 fiscal year principal apportionment to exclude any reductions that were made because of a recalculation of kindergarten average daily attendance and attendance in the district's prekindergarten program. No reduction may be made until the Superintendent of Public Instruction and the Director of Finance agree to the appropriate reduction and recalculation of average daily attendance on this basis.

(k) Five hundred thousand dollars (\$500,000) for allocation to the County Office Fiscal Crisis and Management Assistance Team (FCMAT) on a one-time basis for the purpose of implementing the recovery plan developed by the state-appointed administrator, in consultation with the governing board of the Compton Unified School District, and representatives of employee organizations of the district.

(l) One million dollars (\$1,000,000) for allocation to the Glendale Unified School District. Funds appropriated under this subdivision shall be used on a one-time basis to reimburse the school district for its costs incurred in modernizing facilities for public access to technology, including technology infrastructure projects, in connection with a joint-use Library Revitalization Project of the Edison School/Pacific Park Model Neighborhood Community within the Glendale Unified School District.

(m) One hundred thousand dollars (\$100,000) for allocation, on a one-time basis, to the Burbank Unified School District and the Glendale Unified School District. Fifty thousand dollars (\$50,000) shall be allocated to each district, and shall be used to allow the school districts to participate in the Manufacturing Technologies Laboratory (MTL) School to Work Program.

(n) Two hundred thousand dollars (\$200,000) for allocation to the Grossmont Union High School District for the 1998–99 fiscal year on a one-time basis for costs associated with an athletic facility at West Hills High School.

SEC. 55. The sum of seventy thousand dollars (\$70,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction in accordance with both of the following:

(a) Fifty thousand dollars (\$50,000) for allocation on a one-time basis for the purpose of providing scholarships to pupils participating in the California-Japan Scholars program.

(b) Twenty thousand dollars (\$20,000) for allocation on a one-time basis for coordination of community-wide facilities planning pilot projects that shall include, but need not be limited to, a training of trainers program on community-wide school facilities planning, and a comprehensive evaluation of the three pilot projects. The State Department of Education, in collaboration with the local educational agencies receiving grants through this pilot, shall report to the appropriate policy and fiscal committees of the Legislature and to the State Allocation Board by March 1, 2000, on the results of this pilot project, including models of best practices developed through this pilot project.

SEC. 56. Notwithstanding any other provision of law, for the purposes of Sections 14002, 14004, and 41301 of the Education Code for the 1999–2000 fiscal year, the Superintendent of Public Instruction shall certify to the Controller amounts that do not exceed the amounts needed to fund the revenue limits of school districts, as determined pursuant to Section 42238 of the Education Code, and the revenue limits of county superintendents of schools as determined pursuant to Section 2558 of the Education Code as adjusted by the deficit factors applicable to the 1999–2000 fiscal year.

SEC. 57. The funds in each of the following appropriations shall be available for the purposes specified in Sections 60604 and 60605 of the Education Code:

(a) Section 6 of Chapter 975 of the Statutes of 1995, as reappropriated by Item 6110-490 of Section 2.00 of the Budget Act of 1997.

(b) Subdivision (b) of Section 41 of Chapter 299 of the Statutes of 1997.

(c) Schedule (b) of Item 6110-113-0001 of Section 2.00 of the Budget Act of 1997.

(d) Schedule (b) of Item 6110-113-0001 of Section 2.00 of the Budget Act of 1998.

SEC. 58. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 59. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to implement the Budget Act of 1998 with respect to public schools and higher education, it is necessary that this act take effect immediately.

